

**96 PAGES**

THOMAS A. WILLOUGHBY, State Bar No. 137597  
LAUREN M. KAWANO, State Bar No. 309273  
FELDERSTEIN FITZGERALD  
WILLOUGHBY PASCUZZI & RIOS LLP  
500 Capitol Mall, Suite 2250  
Sacramento, CA 95814  
Telephone: (916) 329-7400  
Facsimile: (916) 329-7435  
e-mail: [twilloughby@ffwplaw.com](mailto:twilloughby@ffwplaw.com)  
e-mail: [lkawano@ffwplaw.com](mailto:lkawano@ffwplaw.com)

Proposed Attorneys for Debtor in Possession

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF CALIFORNIA  
SACRAMENTO DIVISION

In re:

RUSSELL WAYNE LESTER, an  
individual, dba Dixon Ridge Farms,  
  
Debtor in Possession.

CASE NO.: 20-24123-E-11

Chapter 11

DCN: FWP-2

Date: September 1, 2020  
Time: 1:30 p.m.  
Courtroom: 33 – Judge Ronald H. Sargis  
501 I Street, 6<sup>th</sup> Floor  
Sacramento, CA

**EXHIBIT IN SUPPORT OF OMNIBUS DECLARATION OF RUSSELL WAYNE LESTER, DECLARATION OF RUSSELL WAYNE LESTER, AND DECLARATION OF RUSSELL BURBANK IN SUPPORT OF DEBTOR IN POSSESSION'S EMERGENCY MOTION FOR AN ORDER (A) AUTHORIZING INTERIM AND FINAL USE OF CASH COLLATERAL; (B) GRANTING REPLACEMENT LIENS; AND (C) SCHEDULING FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001**

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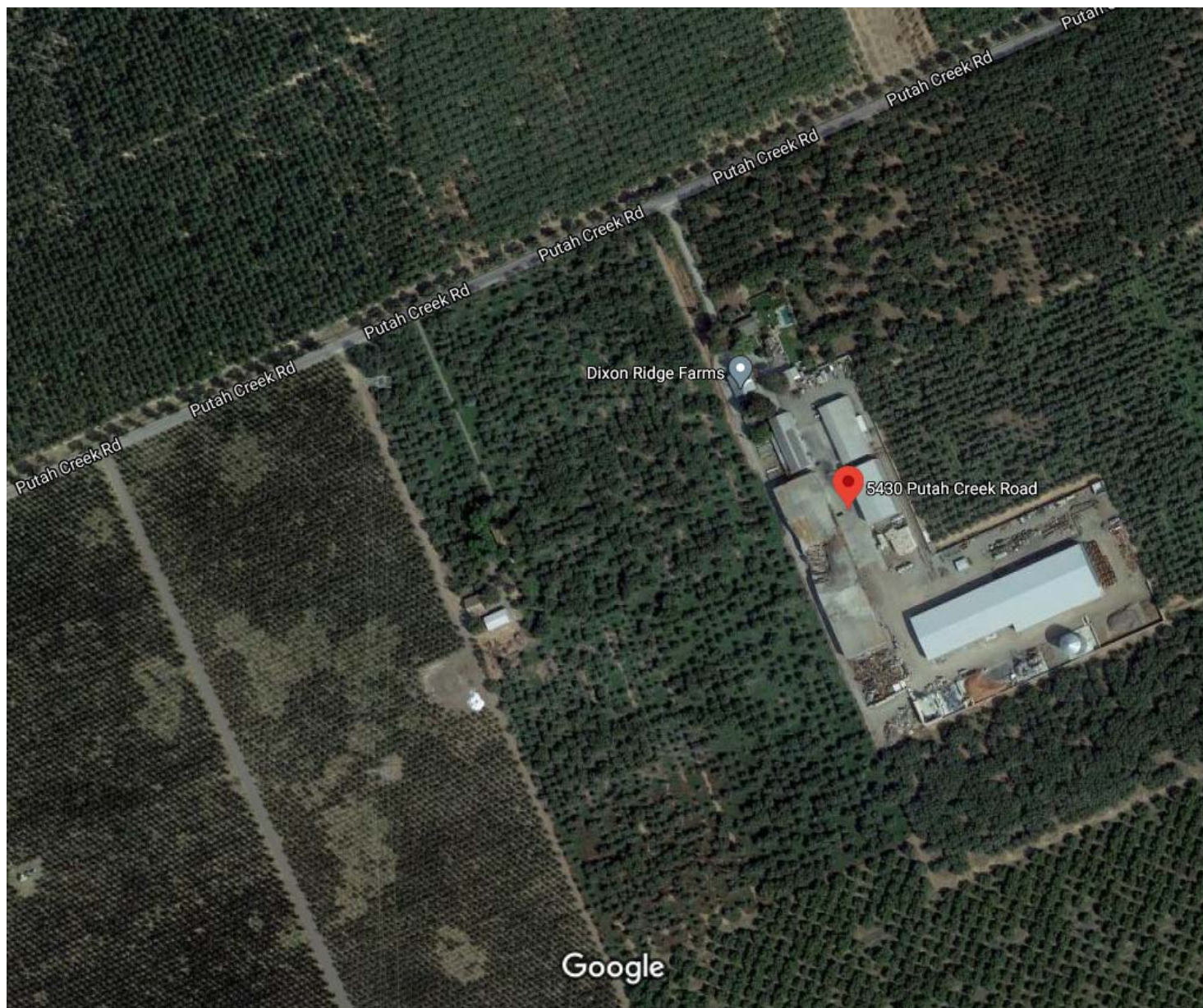
Dated: August 31, 2020

FELDERSTEIN FITZGERALD  
WILLOUGHBY PASCUZZI & RIOS LLP

By: /s/ Thomas A. Willoughby  
THOMAS A. WILLOUGHBY  
Proposed Attorneys for Russell Wayne Lester

# EXHIBIT A

Google Maps 5430 Putah Creek Rd



Imagery ©2020 Maxar Technologies, U.S. Geological Survey, USDA Farm Service Agency, Map data ©2020 200 ft



# **EXHIBIT B**



CALIFORNIA  
ASSOCIATION  
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## DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(Seller's Brokerage Firm to Seller)  
(As required by the Civil Code)  
(C.A.R. Form AD, Revised 12/18)

☐ (If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code section 2079.13(j), (k) and (l).

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

### SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A Fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

### BUYER'S AGENT

A Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

### AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more salespersons and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

### SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation.

Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

☐ Buyer ☒ Seller ☐ Landlord ☐ Tenant \_\_\_\_\_ Date 3/18/2020  
Russell W. Lester

☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant \_\_\_\_\_ Date \_\_\_\_\_

Agent Green Fields Real Estate Services DRE Lic. # 01949058  
Real Estate Broker (Firm)

By Curtis Stocking DRE Lic. # 01722363 Date 3/18/2020  
(Salesperson or Broker-Associate, if any)

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DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 1 OF 2)

Green Fields Real Estate Services, 7 E. Main Street, Suite D Winters CA 95694  
Curtis Stocking

Phone: 707.761.3343 Fax: \_\_\_\_\_  
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**CIVIL CODE SECTIONS 2079.13 – 2079.24 (2079.16 APPEARS ON THE FRONT)**

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. (b) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. (c) "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. (d) "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. (f) "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. (g) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. (h) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (i) "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. (j) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (k) "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. (l) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (m) "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. (n) "Buyer's agent" means an agent who represents a buyer in a real property transaction.

2079.14. A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in Section 2079.15, as follows: (a) The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer.

2079.15. In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent shall set forth, sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17(a) As soon as practicable, the buyer's agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction as the buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the seller's agent shall disclose to the seller whether the seller's agent is acting in the real property transaction as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the seller's agent prior to or coincident with the execution of that contract by the seller.

CONFIRMATION: The following agency relationships are confirmed for this transaction:

Seller's Brokerage Firm	DO NOT COMPLETE. SAMPLE ONLY	License Number	_____
Is the broker of (check one):	<input type="checkbox"/> the seller; or <input type="checkbox"/> both the buyer and seller. (dual agent)		
Seller's Agent	DO NOT COMPLETE. SAMPLE ONLY	License Number	_____
Is (check one):	<input type="checkbox"/> the Seller's Agent. (salesperson or broker associate) <input type="checkbox"/> both the Buyer's and Seller's Agent. (dual agent)		
Buyer's Brokerage Firm	DO NOT COMPLETE. SAMPLE ONLY	License Number	_____
Is the broker of (check one):	<input type="checkbox"/> the buyer; or <input type="checkbox"/> both the buyer and seller. (dual agent)		
Buyer's Agent	DO NOT COMPLETE. SAMPLE ONLY	License Number	_____
Is (check one):	<input type="checkbox"/> the Buyer's Agent. (salesperson or broker associate) <input type="checkbox"/> both the Buyer's and Seller's Agent. (dual agent)		

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

2079.18 (Repealed pursuant to AB-1289)

2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

2079.21 (a) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. (b) A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. (c) "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. (d) This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

2079.23 A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

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THIS FORM HAS BEEN APPROVED BY THE CALIFORNIA ASSOCIATION OF REALTORS®. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ACCURACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION. A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE TRANSACTIONS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.



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**DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 2 OF 2)**

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Lester





CALIFORNIA  
ASSOCIATION  
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# VACANT LAND LISTING AGREEMENT

(C.A.R. Form VLL, Revised 6/17)

Date Prepared: March 21, 2020

1. **EXCLUSIVE AUTHORIZATION:** Russell W. Lester ("Owner") hereby employs and grants Green Fields Real Estate Services ("Broker") beginning (date) March 21, 2020 and ending at 11:59 P.M. on (date) September 30, 2020 ("Listing Period") the exclusive and irrevocable right to: ☐ SELL, ☐ LEASE, ☐ EXCHANGE, ☐ OPTION, or ☐ OTHER the real property in the City of Winters, County of Yolo, California, Assessor's Parcel No.: SEE P. # 15, described as: County Road 89, Winters, CA 95694 ("Property").
2. **ITEMS EXCLUDED AND INCLUDED:** Unless otherwise specified in an agreement between Owner and transferee, all fixtures and fittings that are attached to the Property are included, and personal property items are excluded from the price.  
**ADDITIONAL ITEMS EXCLUDED:** \_\_\_\_\_  
**ADDITIONAL ITEMS INCLUDED:** \_\_\_\_\_  
Owner intends that the above items be excluded or included in listing the Property, but understands that: (i) the Agreement between owner and transferee supersedes any intention expressed above and will ultimately determine which items are excluded and included in the transaction; and (ii) Broker is not responsible for and does not guarantee that the above exclusions and/or inclusions will be in the Agreement between Owner and transferee.
3. **LISTING PRICE AND TERMS:**
  - A. The listing price shall be Two Million, Five Hundred Thousand Dollars (\$ 2,500,000.00 ).
  - B. Additional Terms: \_\_\_\_\_
4. **COMPENSATION TO BROKER:**  
**Notice: The amount or rate of real estate commissions is not fixed by law. They are set by each Broker individually and may be negotiable between Owner and Broker (real estate commissions include all compensation and fees to Broker).**
  - A. Owner agrees to pay to Broker as compensation for services irrespective of agency relationship(s): ☒ 4.250 percent of the listing price (or if an agreement is entered into, of the contract price), ☐ \$ \_\_\_\_\_, OR ☐ in accordance with Broker's attached schedule of compensation; as follows:
    - (1) If during the Listing Period, or any extension, Broker, cooperating broker, Seller or any other person procures a ready, willing, and able buyer(s) whose offer to purchase the Property on any price and terms is accepted by Seller, provided the Buyer completes the transaction or is prevented from doing so by Seller. (Broker is entitled to compensation whether any escrow resulting from such offer closes during or after the expiration of the Listing Period, or any extension.)
    - (2) If within 60 calendar days after the end of the Listing Period or any extension, Owner enters into a contract to sell, lease, exchange, option, convey or otherwise transfer the Property to anyone ("Prospective Transferee") or that person's related entity: (i) who physically entered and was shown the Property during the Listing Period, or any extension by Broker or a cooperating broker; or (ii) for whom Broker or any cooperating broker submitted to Owner a signed, written offer to acquire, lease, exchange or obtain an option on the Property. Owner, however, shall have no obligation to Broker under this paragraph 4A(2) unless, not later than the end of the Listing Period or any extension or cancellation, Broker has given Owner a written notice of the names of such Prospective Transferees.
    - (3) If, without Broker's prior written consent, the Property is withdrawn from sale, lease, exchange, option or other, as specified in paragraph 1, or is sold, conveyed, leased, rented, exchanged, or otherwise transferred, or made unmarketable by a voluntary act of Owner during the Listing Period, or any extension thereof.
  - B. If completion of the transaction is prevented by a party to the transaction other than Owner, then compensation due under paragraph 4A shall be payable only if and when Owner collects damages by suit, arbitration, settlement, or otherwise, and then in an amount equal to the lesser of one-half of the damages recovered or the above compensation, after first deducting title and escrow expenses and the expenses of collection, if any.
  - C. In addition, Owner agrees to pay Broker: \_\_\_\_\_
  - D. (1) Broker is authorized to cooperate and compensate brokers participating through the multiple listing service(s) ("MLS"): (i) by offering MLS brokers either: ☒ 2.250 percent of the purchase price, or ☐ \$ \_\_\_\_\_; OR (ii) (if checked) ☐ as per Broker's policy.  
(2) Broker is authorized to cooperate and compensate brokers operating outside the MLS as per Broker's policy.
  - E. Owner hereby irrevocably assigns to Broker the above compensation from Owner's funds and proceeds in escrow. Broker may submit this Listing Agreement, as instructions to compensate Broker pursuant to paragraph 4A, to any escrow regarding the Property involving Owner and a buyer, transferee or Prospective Transferee.
  - F. (1) Owner represents that Owner has not previously entered into a listing agreement with another broker regarding the Property, unless specified as follows: \_\_\_\_\_  
(2) Owner warrants that Owner has no obligation to pay compensation to any other broker regarding the Property unless the Property is transferred to any of the following Prospective Transferees: \_\_\_\_\_  
(3) If the Property is transferred to anyone listed above during the time Owner is obligated to compensate another broker: (i) Broker is not entitled to compensation under this Listing Agreement; and (ii) Broker is not obligated to represent Owner in such transaction.

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VLL REVISED 6/17 (PAGE 1 OF 5)

## VACANT LAND LISTING AGREEMENT (VLL PAGE 1 OF 5)

Green Fields Real Estate Services, 7 E. Main Street, Suite D Winters CA 95694  
Curtis Stocking

Phone: 707.761.3343 Fax: \_\_\_\_\_  
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Owner's Initials (initials) (initials)



Lester



Property Address: County Road 89, Winters, CA 95694Date: March 21, 2020**5. MULTIPLE LISTING SERVICE:**

- A. Broker is a participant/subscriber to BAREIS & METRO Multiple Listing Service (MLS) and possibly others. Unless otherwise instructed in writing the Property will be listed with the MLS(s) specified above. That MLS is (or if checked ☐ is not) the primary MLS for the geographic area of the Property. All terms of the transaction, including sales price and financing, if applicable, (i) will be provided to the MLS in which the property is listed for publication, dissemination and use by persons and entities on terms approved by the MLS and (ii) may be provided to the MLS even if the Property is not listed with the MLS.

**BENEFITS OF USING THE MLS; IMPACT OF OPTING OUT OF THE MLS; PRESENTING ALL OFFERS**

**WHAT IS AN MLS?** The MLS is a database of properties for sale that is available and disseminated to and accessible by all other real estate agents who are participants or subscribers to the MLS. Property information submitted to the MLS describes the price, terms and conditions under which the Seller's property is offered for sale (including but not limited to the listing broker's offer of compensation to other brokers). It is likely that a significant number of real estate practitioners in any given area are participants or subscribers to the MLS. The MLS may also be part of a reciprocal agreement to which other multiple listing services belong. Real estate agents belonging to other multiple listing services that have reciprocal agreements with the MLS also have access to the information submitted to the MLS. The MLS may further transmit the MLS database to Internet sites that post property listings online.

**EXPOSURE TO BUYERS THROUGH MLS:** Listing property with an MLS exposes a seller's property to all real estate agents and brokers (and their potential buyer clients) who are participants or subscribers to the MLS or a reciprocating MLS.

**CLOSED/PRIVATE LISTING CLUBS OR GROUPS:** Closed or private listing clubs or groups are not the same as the MLS. The MLS referred to above is accessible to all eligible real estate licensees and provides broad exposure for a listed property. Private or closed listing clubs or groups of licensees may have been formed outside the MLS. Private or closed listing clubs or groups are accessible to a more limited number of licensees and generally offer less exposure for listed property. Whether listing property through a closed, private network - and excluding it from the MLS - is advantageous or disadvantageous to an seller, and why, should be discussed with the agent taking the Seller's listing.

**NOT LISTING PROPERTY IN A LOCAL MLS:** If the Property is listed in an MLS which does not cover the geographic area where the Property is located then real estate agents and brokers working that territory, and Buyers they represent looking for property in the neighborhood, may not be aware the Property is for sale.

**OPTING OUT OF MLS:** If Owner elects to exclude the Property from the MLS, Seller understands and acknowledges that: (a) real estate agents and brokers from other real estate offices, and their buyer clients, who have access to that MLS may not be aware that Seller's Property is offered for sale; (b) Information about Seller's Property will not be transmitted to various real estate Internet sites that are used by the public to search for property listings; (c) real estate agents, brokers and members of the public may be unaware of the terms and conditions under which Seller is marketing the Property.

**REDUCTION IN EXPOSURE:** Any reduction in exposure of the Property may lower the number of offers and negatively impact the sales price.

**PRESENTING ALL OFFERS:** Seller understands that Broker must present all offers received for Seller's Property unless Seller gives Broker written instructions to the contrary.

Seller's Initials ( W ) (      )Broker's/Agent's Initials ( W ) (      )

- B. MLS rules generally provide that residential real property and vacant lot listings be submitted to the MLS within 2 days or some other period of time after all necessary signatures have been obtained on the listing agreement. Broker will not have to submit this listing to the MLS if, within that time, Broker submits to the MLS a form signed by Seller (C.A.R. Form SELM or the local equivalent form).

- C. MLS rules allow MLS data to be made available by the MLS to additional Internet sites unless Broker gives the MLS instructions to the contrary. Seller acknowledges that for any of the below opt-out instructions to be effective, Seller must make them on a separate instruction to Broker signed by Seller. Specific information that can be excluded from the Internet as permitted by (or in accordance with) the MLS is as follows:

**(1) Property Availability On The MLS; Address On the MLS:** Seller can instruct Broker to have the MLS not display the Property or the Property address on the Internet. Seller understands that either of these opt-outs would mean consumers searching for listings on the Internet may not see the Property or Property's address in response to their search.

**(2) Feature Opt-Outs:** Seller can instruct Broker to advise the MLS that Seller does not want visitors to MLS Participant or Subscriber Websites or Electronic Displays that display the Property listing to have the features below. Seller understands (i) that these opt-outs apply only to Websites or Electronic Displays of MLS Participants and Subscribers who are real estate broker and agent members of the MLS; (ii) that other Internet sites may or may not have the features set forth herein; and (iii) that neither Broker nor the MLS may have the ability to control or block such features on other Internet sites.

**(a) Comments And Reviews:** The ability to write comments or reviews about the Property on those sites; or the ability to link to another site containing such comments or reviews if the link is in immediate conjunction with the Property display.

**(b) Automated Estimate Of Value:** The ability to create an automated estimate of value or to link to another site containing such an estimate of value if the link is in immediate conjunction with the Property display. ☐ Seller elects to opt out of certain Internet features as provided by C.A.R. Form SELI or the local equivalent form.

Owner's Initials ( W ) (      )

VLL REVISED 6/17 (PAGE 2 OF 5)

**VACANT LAND LISTING AGREEMENT (VLL PAGE 2 OF 5)**Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.zipLogix.com](http://www.zipLogix.com)

Lester



Property Address: **County Road 89, Winters, CA 95694**Date: **March 21, 2020**

6. **OWNER REPRESENTATIONS:** Owner represents that, unless otherwise specified in writing, Owner is unaware of: (i) any Notice of Default recorded against the Property; (ii) any delinquent amounts due under any loan secured by, or other obligation affecting, the Property; (iii) any bankruptcy, insolvency or similar proceeding affecting the Property; (iv) any litigation, arbitration, administrative action, government investigation, or other pending or threatened action that affects or may affect the Property or Owner's ability to transfer it; and (v) any current, pending or proposed special assessments affecting the Property. Owner shall promptly notify Broker in writing if Owner becomes aware of any of these items during the Listing Period or any extension thereof.
7. **BROKER'S AND OWNER'S DUTIES:** Broker agrees to exercise reasonable effort and due diligence to achieve the purposes of this Listing Agreement. Unless Owner gives Broker written instructions to the contrary, Broker is authorized to order reports and disclosures as appropriate or necessary, and advertise and market the Property in any method and medium, including the Internet, selected by Broker, and, to the extent permitted by these media, including MLS, control the dissemination of the information submitted to any medium. Owner agrees to consider offers presented by Broker, and to act in good faith toward accomplishing the transfer of the Property by, among other things, making the Property available for showing at reasonable times and referring to Broker all inquiries of any party interested in the Property. Owner agrees to provide Broker and transferee(s) all written disclosures, as required by law. Owner further agrees to immediately disclose in writing any condition known to Owner that affects the Property, including, but not limited to, any past or current generation, storage, release, threatened release, disposal, and presence and location of asbestos, PCB transformers, petroleum products, flammable explosives, underground storage tanks and other hazardous, toxic or contaminated substances or conditions in, on, or about the Property. Owner shall maintain public liability and property damage insurance on the Property during the Listing Period or any extension. Owner waives all subrogation rights under any insurance against Broker, cooperating brokers or employees. Owner is responsible for determining at what price to list and transfer the Property. **Owner further agrees to indemnify, defend and hold Broker harmless from all claims, disputes, litigation, judgments attorney fees and costs arising from any incorrect or incomplete information supplied by Owner, or from any material facts that Owner knows but fails to disclose including dangerous or hidden conditions on the Property.**
- ☐ (If checked) The attached property disclosure is part of this Listing Agreement and may be provided to Prospective Transferees.
8. **DEPOSIT:** Broker is authorized to accept and hold on Owner's behalf any deposits to be applied toward the contract price.
9. **AGENCY RELATIONSHIPS:**
- A. **Disclosure:** Owner acknowledges receipt of a "Disclosure Regarding Real Estate Agency Relationship" (C.A.R. Form AD) form which is required to be provided to Owner prior to entering into this Listing Agreement.
- B. **Owner Representation:** Broker shall represent Owner in any resulting transaction, except as specified in paragraph 4F.
- C. **Possible Dual Agency With Buyer:** Depending upon the circumstances, it may be necessary or appropriate for Broker to act as an agent for both Owner and buyer, exchange party, or one or more additional parties ("Buyer"). Broker shall, as soon as practicable, disclose to Owner any election to act as a dual agent representing both Owner and Buyer. If a Buyer is procured directly by Broker or an associate licensee in Broker's firm, Owner hereby consents to Broker acting as a dual agent for Owner and such Buyer. In the event of an exchange, Owner hereby consents to Broker collecting compensation from additional parties for services rendered, provided there is disclosure to all parties of such agency and compensation. Owner understands and agrees that: (i) Broker, without the prior written consent of Owner, will not disclose to Buyer that Owner is willing to transfer the Property at a price less than the listing price; (ii) Broker, without the prior written consent of Buyer, will not disclose to Owner that Buyer is willing to pay a price greater than the offered price; and (iii) except for (i) and (ii) above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.
- D. **Other Owners:** Owner understands that Broker may have or obtain listings on other properties, and that potential buyers may consider, make offers on, or acquire through Broker, property the same as or similar to Owner's Property. Owner consents to Broker's representation of owners and buyers of other properties before, during, and after the end of this Listing Agreement.
- E. **Confirmation:** Broker shall confirm the agency relationship described above, or as modified, in writing, prior to or concurrent with Owner's execution of an agreement to sell.
10. **SECURITY, INSURANCE, SHOWINGS, AUDIO AND VIDEO:** Broker is not responsible for loss of or damage to personal or real property, or person, whether attributable to use of a keysafe/lockbox, a showing of the Property, or otherwise. Third parties, including, but not limited to, appraisers, inspectors, brokers and prospective buyers, may have access to, and take videos and photographs of, the Property. Owner agrees: (i) to take reasonable precautions to safeguard and protect valuables that might be accessible during showings of the Property; (ii) to obtain insurance to protect against these risks. Broker does not maintain insurance to protect Owner. Persons visiting the Property may not be aware that they could be recorded by audio or visual devices installed by Owner (such as hidden security cameras) and may claim an invasion of privacy. Owner is advised to post notices disclosing the existence of security devices.
- (i) to take reasonable precautions to safeguard and protect valuables that might be accessible during showings of the Property; and
- (ii) to obtain insurance to protect against these risks. Broker does not maintain insurance to protect Owner.
11. **KEYSAFE/LOCKBOX:** A keysafe/lockbox is designed to hold a key to the Property to permit access to the Property by Broker, cooperating brokers, MLS participants, their authorized licensees and representatives, authorized inspectors and accompanying prospective buyers. Broker, cooperating brokers, MLS and Associations/Boards of REALTORS® are not insurers against injury, theft, loss, vandalism, or damage attributed to the use of a keysafe/lockbox. Owner does (or if checked ☐ does not) authorize Broker to install a keysafe/lockbox. If Owner does not occupy the Property, Owner shall be responsible for obtaining occupant(s)' written permission for use of a keysafe/lockbox.
12. **SIGN:** Owner authorizes Broker to install a FOR SALE/SOLD/LEASE sign on the Property unless otherwise indicated in writing.
13. **EQUAL HOUSING OPPORTUNITY:** The Property is offered in compliance with federal, state and local anti-discrimination laws.
14. **ATTORNEY'S FEES:** In any action, proceeding, or arbitration between Owner and Broker to enforce the compensation provisions of this Agreement, the prevailing Owner or Broker shall be entitled to reasonable attorney's fees and costs, except as provided in paragraph 18A.

Owner's Initials (L) ( )

VLL REVISED 6/17 (PAGE 3 OF 5)

**VACANT LAND LISTING AGREEMENT (VLL PAGE 3 OF 5)**Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 [www.ziplogix.com](http://www.ziplogix.com)

Lester





Property Address: County Road 89, Winters, CA 95694

Date: March 21, 2020

15. ADDITIONAL TERMS: ☐ REOL ☐ SSIA 1) Commission shall be reduced to 4% if Green Fields Real Estate also represents the Buyer.  
 2) If Tim Schimmel or related entity goes into escrow within 60 days of the listing agreement, the total real estate commission will be 1% and Green Fields will be only representing the Seller.  
 3) Property includes APN 050-100-015-000 (68.54+/- acres) & 050-100-032-000 (1.76+/- acres) for a total acreage of 70.3 +/-

16. **MANAGEMENT APPROVAL:** If an associate-licensee in Broker's office (salesperson or broker-associate) enters into this Listing Agreement on Broker's behalf, and Broker or Manager does not approve of its terms, Broker or Manager has the right to cancel this Listing Agreement, in writing, within 5 days after its execution.

17. **SUCCESSORS AND ASSIGNS:** This Listing Agreement shall be binding upon Owner and Owner's successors and assigns.

18. **DISPUTE RESOLUTION:**

A. **MEDIATION:** Owner and Broker agree to mediate any dispute or claim arising between them regarding the obligation to pay compensation under this Agreement, before resorting to arbitration or court action. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. **Exclusions from this mediation agreement are specified in paragraph 18B.**

B. **ADDITIONAL MEDIATION TERMS:** The following matters shall be excluded from mediation: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or violation of the mediation and arbitration provisions.

C. **ADVISORY:** If Owner and Broker desire to resolve disputes arising between them through arbitration rather than court, they can document their agreement by attaching and signing an Arbitration Agreement (C.A.R. Form ARB).

19. **ENTIRE CONTRACT:** All prior discussions, negotiations, and agreements between the parties concerning the subject matter of this Listing Agreement are superseded by this Listing Agreement, which constitutes the entire contract and a complete and exclusive expression of their agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. This Listing Agreement and any supplement, addendum, or modification, including any photocopy or facsimile, may be executed in counterparts.

20. **OWNERSHIP, TITLE AND AUTHORITY:** Owner warrants that: (i) Owner is the owner of the Property; (ii) no other persons or entities have title to the Property, and (iii) Owner has the authority to both execute this Listing Agreement and transfer the Property. Exceptions to ownership, title and authority are as follows: \_\_\_\_\_

☐ **REPRESENTATIVE CAPACITY:** This Listing Agreement is being signed for Owner by an individual acting in a Representative Capacity as specified in the attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-S). Wherever the signature or initials of the representative identified in the RCSD appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. Owner (i) represents that the entity for which the individual is signing already exists and (ii) shall Deliver to Broker, within 3 Days After Execution of this Agreement, evidence of authority to act (such as but not limited to: applicable trust document, or portion thereof, letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

By signing below, Owner acknowledges that Owner has read, understands, received a copy of and agrees to the terms of this Listing Agreement and any attached schedule of compensation.

Owner *[Signature]* Russell W. Lester Date 3/18/2020  
 Address 5430 Putah Creek Rd City Winters State CA Zip 95694-9612  
 Telephone (916)849-8578 Fax \_\_\_\_\_ E-mail Russ@dixonridgefarms.com

Owner \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_  
 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Owner's Initials (*[Signature]*) ( )

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VACANT LAND LISTING AGREEMENT (VLL PAGE 4 OF 5)

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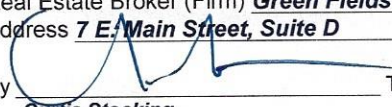
Lester





Property Address: County Road 89, Winters, CA 95694 Date: March 21, 2020

☐ Additional Signature Addendum attached (C.A.R. Form ASA)

Real Estate Broker (Firm) Green Fields Real Estate Services DRE Lic. # 01949058  
 Address 7 E. Main Street, Suite D City Winters State CA Zip 95694  
 By  Tel. 707.761.3343 E-mail Curtis@greenfieldsre.com DRE Lic. # 01722363 Date 3/18/2020  
 By \_\_\_\_\_ Tel. \_\_\_\_\_ E-mail \_\_\_\_\_ DRE Lic. # \_\_\_\_\_ Date \_\_\_\_\_

☐ Two Brokers with different companies are co-listing the Property. Co-listing Broker information is on the attached Additional Broker Acknowledgement (C.A.R. Form ABA).

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VACANT LAND LISTING AGREEMENT (VLL PAGE 5 OF 5)

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Lester





CALIFORNIA  
ASSOCIATION  
OF REALTORS®

**CALIFORNIA CONSUMER PRIVACY ACT ADVISORY**  
(C.A.R. Form CCPA, 12/19)

As of January 1, 2020, the California Consumer Privacy Act (commencing with Civil Code § 1798.100) ("CCPA") grants to California residents certain rights in their private, personal information that is collected by companies with whom they do business. Under the CCPA, "personal information" is defined broadly to encompass non-public records information that could reasonably be linked directly or indirectly to you, including, potentially, photographs of or sales information about your property. Some of your personal information will be collected and likely shared with others during the process of buying and selling real estate. Depending on the situation, you may have the right to "opt out" or stop the transfer of your personal information to others and request that certain businesses delete your personal information altogether. Not all businesses you interact with are required to comply with the law, primarily just those who meet the criteria of a covered "Business" as set forth in Section 1798.140 (c)]. For more information, you may ask your Broker for a copy of the C.A.R. Legal Q&A on the subject.

A real estate broker is likely to submit personal information to a Multiple Listing Service ("MLS") in order to help find a buyer for a seller's property. Through the MLS, the information is made available to real estate brokers and salespeople, and others. Even after a sale is complete, the MLS distributes sales information to the real estate community. Brokers, agents and MLSs may also share your personal information with others who post the personal information on websites or elsewhere, or otherwise use it. Thus, there are various service providers and companies in a real estate transaction who may be engaged in using or sharing data involving your personal information.

If your broker is a covered Business, it should have a privacy policy explaining your rights on its website and giving you an opportunity to request that personal information not be shared, used and even deleted. Even if your real estate brokerage is a covered Business, it needs, and is allowed, to keep your information to effectuate a sale and, by law, is required to maintain such information for three years to comply with regulatory requirements. Not all brokers are covered Businesses, however, and those that are not, do not have to comply with the CCPA.

Similarly, most MLSs will not be considered a covered Business. Instead, the MLS may be considered a Third Party in the event a covered Business (ex: brokerages, real estate listing aggregation or advertising internet sites or other outlets who meet the criteria of covered Businesses) exchanges personal information with the MLS. You do not have the right under the CCPA to require a Third Party to delete your personal information. And like real estate brokerages, even if an MLS is a covered Business, MLSs are also required by law to retain and make accessible in its computer system any and all listing and other information for three years.

Whether an MLS is a covered Business or a Third Party, you have a right to be notified about the sharing of your personal information and your right to contact a covered Business to opt out of your personal information being used, or shared with Third Parties. Since the MLSs and/or other entities receiving your personal information do not have direct contact with buyers and sellers and also may not be aware of which entities exchanging personal information are covered Businesses, this form is being used to notify you of your rights under the CCPA and your ability to direct requests to covered Businesses not to share personal information with Third Parties. One way to limit access to your personal information, is to inform your broker or salesperson you want to opt-out of the MLS, and if so, you will be asked to sign a document (Form SELM) confirming your request to keep your listing off the MLS. However, if you do so, it may be more difficult to sell your property or obtain the highest price for it because your property will not be exposed to the greatest number of real estate licensees and others.

**I/we acknowledge receipt of a copy of this California Consumer Privacy Act Advisory.**

Buyer/Seller/Landlord/Tenant

*Russell W. Lester*  
**Russell W. Lester**

Date 3/18/2020

Buyer/Seller/Landlord/Tenant

Date \_\_\_\_\_

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CCPA 12/19 (PAGE 1 OF 1)

**CALIFORNIA CONSUMER PRIVACY ACT ADVISORY (CCPA PAGE 1 OF 1)**

Green Fields Real Estate Services, 7 E. Main Street, Suite D Winters CA 95694  
Curtis Stocking

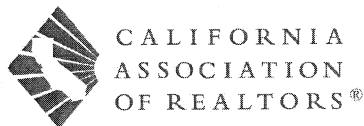
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Phone: 707.761.3343

Fax:

Lester





# **MODIFICATION OF LISTING, BUYER REPRESENTATION OR OTHER AGREEMENT BETWEEN PRINCIPAL AND BROKER** (C.A.R. Form MT, Revised 6/19)

The ☒ Listing Agreement ☐ Buyer Representation Agreement, (or, if checked,) ☐ Other \_\_\_\_\_  
dated March 21, 2020, between \_\_\_\_\_ ("Broker")  
and Russell W. Lester, ("Principal"), regarding the real  
property, manufactured home or business described as County Road 89, Winters, CA 95694  
\_\_\_\_\_ is modified as follows:

**PRICE:** The listing price, price range, lease or rental amount shall be changed to: Two Million, Four Hundred Thousand  
Dollars (\$ 2,400,000.00 )



**EXPIRATION DATE:** The expiration date is changed to: \_\_\_\_\_

**NOTICE: THE AMOUNT OR RATE OF REAL ESTATE COMMISSIONS IS NOT FIXED BY LAW. THEY ARE SET BY  
EACH BROKER INDIVIDUALLY AND MAY BE NEGOTIABLE BETWEEN PRINCIPAL AND BROKER (REAL ESTATE  
COMMISSIONS INCLUDE ALL COMPENSATION AND FEES TO BROKER).**

**OTHER:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All other terms of the Listing Agreement, Buyer Representation Agreement, or other agreement as applicable, remain in full force and effect, except as modified herein.

I acknowledge that I have read, understand and have received a copy of this Modification of Terms.

Russell W. Lester   
Principal **Russell W. Lester**  
\_\_\_\_\_  
Principal  
\_\_\_\_\_  
Broker **Green Fields Real Estate Services**  
(Firm)  
By Curtis Stocking   
(Agent)  
**Curtis Stocking**

08/15/2020  
04:52 PM PDT  
\_\_\_\_\_  
Date  
\_\_\_\_\_  
Date  
\_\_\_\_\_  
DRE Lic # **01949058**  
\_\_\_\_\_  
DRE Lic # **01722363** Date 08/12/2020  
09:12 AM PDT

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MT REVISED 6/19 (PAGE 1 OF 1)

**MODIFICATION OF LISTING BUYER REPRESENTATION OR OTHER AGREEMENT BETWEEN PRINCIPAL AND  
BROKER (MT PAGE 1 OF 1)**

Green Fields Real Estate Services, 7 E. Main Street, Suite D Winters CA 95694 Phone: 707.761.3343 Fax: \_\_\_\_\_ Lester  
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# EXHIBIT C



*Land connects us all – protecting it today, saving it for tomorrow*

Board Members

Date: 08-28-2020

*Officers*

Gale D. Spears  
President

Re: Conservation Easement Funding and Timeline to close on the McCune and Carrion properties

Sue Frost  
Vice President

From: Tracy Ellison, Conservation Program Manager, Solano Land Trust

Steve Pressley  
Treasurer

To: Whom is My Concern

Carole Paterson  
Immediate Past  
President

Solano Land Trust along with Kathleen and Russell Lester have entered an agreement to place the McCune and Carrion properties under an Agricultural Conservation Easement.

Paul Lum  
Secretary

The funding for the purchase of the easement will come from two funders; the State of California at 75% and the United States of America at 25%.

*Directors*  
David Eimerl

Deborah Durr Ferras  
Terry Huffman  
Curtis Stocking  
Monica Brown

Solano Land Trust has secured grant funds for the purchase of an Agricultural Conservation Easement with the State of California through the Sustainable Agriculture Lands Conservation program (SALC) in the amount of \$4,275,000.00. The grant agreement was finalized on 03-15-2020. See attached award letter.

Solano Land Trust has secured grant funds for the purchase of an Agricultural Conservation Easement through the Agricultural Land Easement (ALE) program with the United States of America through the Natural Resource Conservation Service (NRCS) for matching funds to the above grant in the amount of \$1,425,000.00. Solano Land Trust is currently working with the NRCS to finalize the grant agreement. This can be supplied once completed.

The total grant amount to purchase an Agricultural Conservation Easement on the mentioned properties is \$5,700,000.00

Timeline to close is expected June of 2021 pending any agency reviews and approvals.



*Get Involved! Learn more – join us – donate – land connects us all*



If there are further, questions please contact Tracy Ellison, Conservation Program Manager and lead on this transaction. Email [Tracy@solanolandtrust.org](mailto:Tracy@solanolandtrust.org) or Cell at 707-580-4263

Sincerely,

A handwritten signature in black ink that reads "Tracy Ellison". The signature is written in a cursive, flowing style.

Tracy Ellison



December 18, 2019

Tracy Ellison  
Solano Land Trust  
Via Email

RE: Funding Request for the Dixon Ridge Farms Agricultural Conservation Easement

Dear Ms. Ellison:

I am pleased to inform you that the Strategic Growth Council has awarded your request for Fiscal Year 2018-19 grant funding for the Dixon Ridge Farms (SALC18\_PP18\_SOL) agricultural conservation easement acquisition under the Sustainable Agricultural Lands Conservation Program (SALC). This award is made in the amount of \$4,325,000 for direct acquisition costs and eligible associated costs incurred in relation to the transaction. Congratulations on your award.

To complete this transaction, Solano Land trust must meet the following contingencies:

- Execute and complete the requirements outlined in a Grant Agreement between Solano Land Trust and the Department of Conservation (Department), including completion of:
  - Conservation easement negotiations;
  - An acceptable final appraisal;
  - All due diligence and related documentation;
- Provide evidence of having secured all match funding;
- Resolve third-party mineral rights;
- Resolve all title issues;

To orient incoming grantees to the SALC grant process, the Department will host a webinar at 11:00 am on January 15, 2020. The webinar will cover: steps to entering into a grant agreement and completing your easement transaction with the Department, tips for developing and maintaining a feasible implementation schedule, and any changes in the SALC grant agreement since your previous grant. Please RSVP by January 14, 2020 to confirm your spot.

You are welcome to publicize receipt of this grant; however, all publicity related to SALC-funded easements must acknowledge California Climate Investments (CCI) as a source of funding and include the CCI logo in a manner consistent with the most current version of the California Climate Investments Logo Usage Guidelines.

Please contact Artemis Mosier, Grant Manager for this project, at (916) 324-4230 within 30 days to accept this grant and begin the grant agreement process. We look forward to working with you to conserve California's important agricultural land resources.

Sincerely,

Keali'i Bright  
Division Director

# **EXHIBIT D**

<b>Putah Creek Property</b>		<b>Units</b>		
		<b>Acres</b>	<b>\$/Unit</b>	<b>Value</b>
Irrigation				
Mainline & Pumps	50	\$ 5,000.00	\$	250,000.00
Solid Set	50	\$ 3,500.00	\$	175,000.00
Trees	50	\$ 7,500.00	\$	375,000.00
Buildings		<b>Square Feet</b>	<b>\$/Unit</b>	<b>Value</b>
House-Main	2,500	\$ 165.00	\$	412,500.00
House-Back	1,500	\$ 165.00	\$	247,500.00
Garage/Pool House	4,000	\$ 151.00	\$	604,000.00
Shop	3,500	\$ 30.00	\$	105,000.00
Building #1/Office	5,000	\$ 125.00	\$	625,000.00
Freezer #1	480	\$ 65.00	\$	31,200.00
Building #2, Sheller w/ 1700 sq ft Freezer	10,110	\$ 105.00	\$	1,061,550.00
Building #3, Freezer	12,000	\$ 110.00	\$	1,320,000.00
Building #4, Freezer	12,000	\$ 103.50	\$	1,242,000.00
Building #5, Warehouse - Burned 10/2018 - Residual Ins. V	52,800	\$ 5.30	\$	279,840.00
Building #6, Warehouse Pad	12,000	\$ 7.50	\$	90,000.00
Building #7- Huller, Dryer, Shop	63,600	\$ 45.00	\$	2,862,000.00
Building #8, Warehouse Concrete Pad	25,920	\$ 25.00	\$	648,000.00
Building #9, Compost and Process Water Sump	14,400	\$ 5.00	\$	72,000.00
Building #10, Fuel and Storage Gravel Pad	8,000	\$ 7.50	\$	60,000.00
Paved Yard	46,900	\$ 15.00	\$	703,500.00
Graveled Yard	388,700	\$ 7.50	\$	2,915,250.00
		<b>Quantity</b>	<b>\$/Unit</b>	<b>Value</b>
Pool and Yard	1	\$ 80,000.00	\$	80,000.00
Site Electrical system	1	\$ 490,928.00	\$	490,928.00
Site Water system	1	\$ 400,000.00	\$	400,000.00
Utility Building for Electrical, Process Water Pump, Filter, S	1	\$ 45,000.00	\$	45,000.00
Process Water Pump, Filter, Softener and System	1	\$ 325,000.00	\$	325,000.00
Fire system with 95,000 gallon Tank	1	\$ 631,153.78	\$	631,153.78
Shell Storage - 54' x 70' silo & 3 - 15' x 35' silos	1	\$ 450,000.00	\$	450,000.00
Receiving Pit & Elevator	1	\$ 35,000.00	\$	35,000.00
Truck Scale - 100 Ton	1	\$ 125,000.00	\$	125,000.00
<b>Total Putah Creek Property</b>				<b>\$ 16,661,421.78</b>
		<b>Acres</b>	<b>\$/Unit</b>	<b>Value</b>
Putah Creek Property - Land	68	\$ 25,000.00	\$	1,700,000.00
<b>Total Putah Creek Property Value</b>				<b>\$ 18,361,421.78</b>



# **EXHIBIT E**

1 CHRISTOPHER E. SEYMOUR, #126330  
cseymour@gmlegal.net  
2 GILMORE MAGNESS JANISSE  
Post Office Box 28907  
3 Fresno, California 93729-8907  
Telephone: (559) 448-9800  
4 Facsimile: (559) 448-9899  
5 Attorneys for Donald G. Howell  
6  
7

8 SUPERIOR COURT OF CALIFORNIA  
9 COUNTY OF SOLANO  
10

11 FIRST NORTHERN BANK OF DIXON,

Case No. FCS054698

12 Plaintiff,

**FIRST REPORT OF RECEIVER**

13 v.

14 RUSSELL W. LESTER, an individual;  
KATHLEEN HAMROCK LESTER, an  
15 individual; RUSSELL W. LESTER, as  
Trustee of the Lester Family Trust;  
16 KATHLEEN H. LESTER, as Trustee of  
the Lester Family Trust; and DOES 1-100,  
17 inclusive

18 Defendant.  
19

20 Donald G. Howell, Court appointed receiver ("Receiver") for First Northern  
21 Bank of Dixon ("Bank") v. Russell W. Lester an individual, Kathleen Hamrock Lester, an  
22 individual, Russell W. Lester, as Trustee of the Lester Family Trust and Kathleen H.  
23 Lester, as Trustee of the Lester Family Trust ("Lester"), respectfully submits the following  
24 First Report of Receiver.

25 A. Appointment and Qualification to Act.

26 I was appointed Receiver in this matter on June 23, 2020, which appointment  
27 was confirmed on June 29, 2020 (collectively, the "Order"). Pursuant to the Order, I was  
28 to take possession of, manage, preserve and in some instances liquidate, inventory,



1 equipment, inventory, accounts and other tangible and intangible property pledged as  
2 collateral (“Collateral”) by the defendants to First Northern Bank of Dixon (“Bank”), and  
3 obtain all records relating to the Collateral (“Collateral Records”). Attached hereto as  
4 Exhibit A is the Notice of Entry of Order Confirming Appointment of Receiver, to which  
5 the ex parte and confirmation orders are attached (collectively, the “Order”). Pursuant to  
6 the Order, I retained Christopher Seymour of Gilmore Magness Janisse as receiver’s  
7 counsel, and the court has entered an order approving that retention.

8 Pursuant to the Order, the Oath and Bond of the Receiver was filed with this  
9 Court on June 19, 2020, but convinced copies were not received from the Court. Attached  
10 hereto as Exhibit B are copies of the Oath and Bond of the Receiver.

11 B. The Dixon Ridge Farms Operation and Nature of the Collateral

12 Lester operates a walnut growing and processing business in Dixon,  
13 California. In addition to his own crop, Lester historically has contracted with other  
14 growers to purchase organic walnuts with the grower paid an in-shell price and Lester  
15 assuming ownership. This is a typical arrangement between a grower and a processor.  
16 Lester markets and sells the processed product pursuant to wholesale contracts.

17 Lester maintains equipment (“Equipment Collateral”) for use in his  
18 processing and farming business. In total, Lester farms approximately 600 acres of  
19 walnuts of various varieties, all certified organic. Walnut prices have dropped  
20 significantly over the last 5 months, significantly affecting the marketability of the  
21 Inventory, as discussed in Section E.1. below. As farming is not a duty I have under the  
22 terms of the Order, I have informed Lester that I will not be conducting such activities, and  
23 will not pay for labor and other expenses related to farming.

24 C. Narrative Report of Events

25 Upon my appointment, I obtained a bond and, with my oath of receiver,  
26 submitted both for filing with the court through my counsel. Due to delays in return of  
27 conformed copies by the court, my initial activities were somewhat delayed, but I was able  
28

1 to open checking and savings accounts with United Security Bank on June 16, 2020. I  
2 proceeded to obtain information from Lester regarding the nature and location of all  
3 Collateral, including the Collateral Records, and visited Dixon Ridge Farms to meet with  
4 Lester and others at the Defendants' business, Dixon Ridge Farms on the following dates:  
5 June 18, 2020; July 3, 2020; July 8 and 9, 2020; July 15, 2020; and July 22, 2020. In my  
6 initial communications with Lester, I inquired specifically as to the shelled and in-shell  
7 walnut inventory, and current and prospective sale and grower contracts, and acquired  
8 information regarding the Dixon Farms processing operations and processing costs. We  
9 also discussed the existence and location of Equipment Collateral and Collateral Records.  
10 Information and documents I requested were provided slowly, but as of July 22, 2020, they  
11 have been provided. I discovered the existence of seven separate bank accounts, three at  
12 First Northern Bank of Dixon ("First Northern" or "Bank") and four at Bank of the West.  
13 Two of the accounts at First Northern are personal accounts, as are the four Bank of the  
14 West accounts. The remaining First Northern account is the business checking account for  
15 Dixon Ridge Farms. There have been transfers between the accounts and comingling of  
16 funds in and among the personal accounts and the Dixon Ridge accounts. I received  
17 complete copies of the bank statements for all three First Northern accounts and a  
18 complete copy of the Check Register for the Dixon Ridge business account on July 22,  
19 2020. As of July 22, 2020, I have identified a total of \$110,818.49 in funds that are  
20 Collateral. \$45,048.36 of these funds I received by money wire transfer on July 14, 2020  
21 and the remaining \$65,770.13 by money wire transfer on July 23, 2020. I am still  
22 reviewing the accounts to ensure there are no remaining cash assets of the Receivership  
23  
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1 Estate in the six personal accounts. If I identify any additional funds that belong to the  
2 Receivership Estate, these funds will need to be wired to the Receiver's account.

3  
4 Based on the initial inventory figures provided to me by Lester on July 3,  
5 2020, I contacted processors and brokers experienced and knowledgeable in the walnut  
6 industry to determine the marketability of Lester's walnut inventory, much of which is  
7 quite old as discussed below. My estimate of the value of the inventory after processing  
8 and other costs is attached hereto as Exhibit D. I discovered during the valuation process  
9 and review of Dixon Ridge Farms' financial records that the actual value of the inventory  
10 was significantly less than what was provided to me by Lester in his inventory report.  
11 Lester valued the in-shell product at cost and the meat pounds product at cost plus the  
12 \$1.15 per net meat pound to process. His valuation was not a current market valuation  
13 based on the current market conditions and market price of the product sold to processors  
14 and wholesalers in large quantity. Rather, his estimate of value was based on stale internal  
15 sales prices applied to small ongoing future sales and he assumed the market would accept  
16 2018 product. I estimate it would take 2.5 to 3.0 years to move the inventory. My  
17 estimate of value is based on current market conditions and prices per several  
18 conversations with industry processors, wholesalers, and brokers, and assumes bulk sale of  
19 the inventory.  
20

21  
22 Lester has applied for, but has not received as of this date, funds from a  
23 USDA Coronavirus Food Assistance Program (CFAP) in the amount of \$500,000. There  
24 currently is a dispute between the Plaintiff and Defendants as to whether those funds will  
25 constitute Collateral as defined in the pleadings and loan documents, which the parties are  
26  
27  
28

1 attempting to resolve. However, the parties, through counsel, have tentatively agreed that  
2 such funds will be forwarded to me to hold in the receivership account pending resolution  
3 of the dispute.  
4

5 D. Bank Accounts

6 1. First Northern Bank of Dixon

7 I have identified the following account, which Lester has represented is the  
8 only Dixon Ridge Farms account:

9 a. Account No.xxx3033

10 I have identified the following accounts, which Lester has represented are  
11 personal accounts:

12 a. Account No. xxx1336

13 b. Account No. xxx4192

14 2. Bank of the West

15 I have Identified the following accounts, which Lester has represented are  
16 personal accounts.

17 a. Account No. xxx9683

18 b. Account No. xxx9691

19 c. Account No. xxx9709

20 d. Account No. xxx9725

21 As of this date, I have been provided a complete Quick Books check register  
22 for the Account No. xxx3030, and bank statements for all seven accounts back to January  
23 1, 2020.

24 On July 14, 2020, Lester wired the amount of \$45,048.36 to my receiver  
25 account from account no. xxx3033. On July 23, 2020 Lester wired the amount of  
26 \$65,770.13 from account no. xxx3033.



1 E. Status of Inventory Collateral and Related Sales and Contracts.

2 1. Walnut Inventory

3 I have located and inspected the shelled and in-shell walnut inventory  
4 (“Inventory Collateral”), with is stored in three freezers at the “home site.” i.e., 5430 Putah  
5 Creek Road in Winters, California. Based on my review of the loan documents, it is my  
6 position, with which I understand the Bank and Lester concur, that Lester’s 2020 crop does  
7 not become Collateral until it is harvested.

8 There currently are two contracts from buyers that remain unshipped with a  
9 value of \$65,590.00. I have instructed Lester to wire those funds to the receivership  
10 checking account when the product is transferred and the funds received.

11 I have had several discussions with potential brokers and prospective buyers  
12 regarding sale of the Inventory Collateral. I have engaged the services of a broker, Mr.  
13 Mike McMillian of Lone Tree Almond and Walnut, to market the Inventory Collateral,  
14 and am in separate discussions with potential buyers of the Inventory Collateral. One  
15 hundred percent of the inventory is organic. As reflected in Exhibit D, a large portion of  
16 the inventory is over 18 months old, and may be extremely difficult, or virtually  
17 impossible, to sell. Per information provided by Lester as of June, 30, 2020 and updated as  
18 of July 1, 2020, the walnut inventory consists of 1,812,000 pounds of 2018 meats,  
19 1,991,876 pounds of 2019 in-shell, and 111,107 pounds of 2019 meats. I have visually  
20 inspected the Inventory and confirmed the accuracy of this information. I also have the  
21 complete inventory on a bin-by-bin basis. Historically, organic product commands a  
22 premium price of at least \$.30 per in-shell pound. Due to a myriad of issues, including (A)  
23 a significant expansion of domestic growth in the production of organic walnuts, (B) a  
24 current glut on the market caused by (1) the Coronavirus, (2) competition from other  
25 countries, and (3) a very large carryover of the 2019 crop (industry wide inventory  
26 domestically), and (C) the expectation of a record or near record crop in 2020, the market  
27 price for all walnuts has dropped dramatically and the current market value of organic  
28 walnuts is the same or slightly above non-organic. Although I have not conducted a

1 formal appraisal of the Inventory, my estimation of the current market value for the  
2 Inventory is attached as Exhibit D. If sold at my estimated current market value, the  
3 estimated total value of the Inventory is approximately \$3,759,737, and assumes there are  
4 no quality issues with the 2018 walnut meats, and most importantly assumes there are no  
5 market barriers resulting in an absolute refusal of the potential buyers to purchase the 2018  
6 product because of its age. Any barrier to sale of the 2018 meats due to market refusal,  
7 USDA tests indicating a deterioration of the product, or a continued loss of market value  
8 due to external pressures may result in a much lower than estimated price received. Once  
9 sale agreements have been negotiated, I will apply to the court for approval of the sales.  
10 No sales will occur prior to the July 29, 2020 status hearing, absent approval by the court  
11 on shortened notice. It should be noted that the current walnut market is in a state of flux,  
12 and the market values represented are subject to change, possibly significant, as time goes  
13 on.

14           In addition to Lester's prior crop years, Lester has stated his intent to harvest  
15 and store his 2020 crop, which, based on my review of the Bank loan documents, becomes  
16 Inventory Collateral at the time it is harvested. Lester has represented to me he is farming  
17 using non-Collateral funds. As I did not have the full accounting information I requested  
18 until July 22, 2020, I have not completed my review of the use of cash to determine  
19 whether any Collateral has been used for farming. I am not involved in the farming  
20 aspects of Lester's business, as it is not within my duties set forth in the Order. However,  
21 at this time, Lester is nearing his storage capacity, and if he exceeds it, he would need to  
22 rent additional space for storage if some or all of the prior years' inventory is not sold  
23 before the 2020 harvest – his meat freezers are filled wall-to-wall with inventory and his  
24 in-shell storage capacity may not be sufficient if the 2020 crop exceeds expectations. In  
25 my opinion, there is little or no profit to be made by Lester in harvesting and processing  
26 the 2020 crop based on his estimated harvesting, processing and storage costs, and the  
27 current market for the product. If harvested, I intend to sell the 2020 crop, to a processor  
28 through a typical grower contract. I believe the 2020 production will average between



1 3,000 and 4,000 pounds per acre on the producing 450 +/- acres. I believe 2020 prices to  
2 the grower (i.e., the Receivership Estate) will average \$0.80 to \$0.90 per in-shell pound  
3 based on current market conditions and the varietal mix of the orchards.

4 2. Hay Inventory

5 Lester harvested a "volunteer" grass/oat hay crop produced on open ground,  
6 now fallowed. There are no farming costs associated with this crop. The crop consists of  
7 784 big bales of oat/grass hay mix estimated to weigh a combined 400 tons. The hay was  
8 sold by contract at the end of May, 2020 to Pozzi Hay. The sale price for 277 of the 400  
9 tons is \$60/ton (\$16,620.00). The sale price for the remaining 23 tons is \$70/ton  
10 (\$8,610.00). Payment of the total sale price of \$25,230.00 is expected to be received by  
11 August 15, 2020, with payment to be made directly to the Receiver.

12 F. Status of Equipment Collateral

13 I have viewed and inventoried the Defendants' equipment, which is pledged  
14 as Collateral under the loan agreement ("Equipment Collateral"). An inventory of the  
15 Equipment Collateral provided by Defendants and confirmed by me by visual inspection,  
16 is attached hereto as part of Exhibit C. According to Defendants, certain equipment was  
17 destroyed by fire on October 11, 2017. An insurance claim has been filed and partial  
18 payments were received prior to my appointment. I am currently corresponding with the  
19 insurance company to determine what issues are as of yet unresolved. There is a dispute  
20 between Lester and the Zenith Insurance Company as to the value of some of the  
21 equipment, the building, and the loss of some personal property. I have notified Lester that  
22 any and all insurance claim proceeds are a part of the Bank's Collateral. The equipment  
23 has not been appraised, although the Bank sent its own appraiser to the home site this  
24 week. The Equipment Collateral will be sold pursuant to the UCC as specified in the  
25 Order, or as otherwise agreed. No Equipment Inventory will be sold prior to the July 29,  
26 2020 status hearing, absent approval by the court on shortened notice.

27 G. Receivership Estate Financial Report.

28 Other than the twenty dollars I provided out of pocket to open the accounts

1 and later to cover Bank fees, and the transfer of funds from Lester's Account No. 3033 in  
2 the total amount of \$110,818.49, there have been no transfers in or out of the receivership  
3 accounts.

4 H. Insurance

5 I eventually obtained on July 15, 2020, the necessary information regarding  
6 Lester's insurance policies and Lester's insurance broker to be added as a named insured  
7 on the following policies: Travelers

8 a. 7001N500159-TCT-20 \$12,500,000 Personal Farm Property

9 b. EX-1N52956A-20-93 \$6,000,000 Aggregate Liability

10 II. Miscellaneous Matters

11 A. Inventory

12 The Receiver's First Inventory of Property was served and submitted for  
13 filing on July 21, 2020.

14 B. Farming

15 As discussed above, the Order does not include farming as part of my duties.  
16 There have been communications between myself, the Bank and Lester regarding farming  
17 issues, but as of this report, no party has sought to amend the Order to include any farming  
18 activity by the Receiver, nor use of any Collateral for that purpose.

19 C. Contacts by Lester's Loan Broker/Advisor

20 On July 16 2020, I was contacted by telephone by BizCap, which I  
21 understand is in the process of attempting to find refinancing on behalf of Lester. I  
22 initially agreed to speak with BizCap upon the approval of Lester, but I became concerned  
23 that my communications with BizCap would be outside of my authority and duties under  
24 the Order. Because of that concern, I asked my counsel to request in writing the  
25 information BizCap intended to discuss with me. Copies of the correspondence between  
26 my counsel and Lester's counsel, setting forth the subjects on which I was requested to  
27 discuss and my refusal to do so, are attached collectively as Exhibit E. I do not believe  
28 discussions with BizCap regarding the subjects listed in Lester's counsel's e-mail are



1 authorized under the Order, for the reasons set forth in my counsel's e-mail of July 21,  
2 2020, and would put me into the position of being a consultant to Lester and BizCap,  
3 which conflicts with my duties and obligations as Receiver.

4 III. Receiver's Fees and Expenses

5 Receiver's fees and expenses for the receivership for June 9, 2020 through  
6 July 23, 2020 are \$32,498.37, including Receivers fees and costs of \$17,436.37 and  
7 attorney fees and costs of \$17,882.48. I will submit my fees and expenses to the parties  
8 pursuant to the Order following the close of my July 2020 billing period.

9  
10 Dated: July 24, 2020



Donald G. Howell  
COURT APPOINTED RECEIVER

# EXHIBIT A



DOUGLAS H. KRAFT, ESQ. (State Bar No. 155127)

JOHN C. McCASLIN, ESQ. (State Bar No. 204983)

KRAFT LAW

11335 Gold Express Drive, Suite 125

Gold River, California 95670

Telephone: (916) 880-3040

Facsimile: (916) 880-3045

Attorneys for First Northern Bank of Dixon

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA,

IN AND FOR THE COUNTY OF SOLANO

FIRST NORTHERN BANK OF DIXON,

Plaintiff,

vs.

RUSSELL W. LESTER, an individual; et al.,

Defendants.

CASE NO. FCS054698

**NOTICE OF ENTRY OF ORDER**

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on June 29, 2020, the above entitled court entered an ORDER CONFIRMING APPOINTMENT OF RECEIVER AND PRELIMINARY INJUNCTION. A true and correct copy of the Order is attached hereto as **Exhibit A**.

PLEASE TAKE NOTICE that the Court also ordered the parties to appear on July 29, 2020, at 1:30 p.m. in department 22, 580 Texas Street, Fairfield, CA 94533, for a Status Hearing.

Dated: June 29, 2020

KRAFT LAW

By: 

DOUGLAS H. KRAFT, ESQ.

Attorneys for Plaintiff First Northern Bank of Dixon

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**EXHIBIT A**



DOUGLAS H. KRAFT, ESQ. (State Bar No. 155127)  
 JOHN C. McCASLIN, ESQ. (State Bar No. 204983)  
 KRAFT LAW  
 11335 Gold Express Drive, Suite 125  
 Gold River, California 95670  
 Telephone: (916) 880-3040  
 Facsimile: (916) 880-3045

Attorneys for First Northern Bank of Dixon



IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA,  
 IN AND FOR THE COUNTY OF SOLANO

FIRST NORTHERN BANK OF DIXON,

Plaintiff,

vs.

RUSSELL W. LESTER, an individual;  
 KATHLEEN HAMROCK LESTER, an  
 individual; RUSSELL W. LESTER, as  
 Trustee of the Lester Family Trust;  
 KATHLEEN H. LESTER, as Trustee of the  
 Lester Family Trust; and DOES 1-100,  
 inclusive,

Defendants.

CASE NO. FCS054698

**[PROPOSED] ORDER CONFIRMING  
 APPOINTMENT OF RECEIVER AND  
 PRELIMINARY INJUNCTION**

Date: June 29, 2020  
 Time: 10:00 a.m.  
 Dept: 22  
 Location: 580 Texas St.  
 Fairfield, CA 94533  
 Judge: Hon. Alesia F. Jones

WHEREAS, on June 12, 2020, at 1:30 p.m., in Department 22 of the above entitled court (the "**Court**") Plaintiff FIRST NORTHERN BANK OF DIXON ("**Lender**" or "**Plaintiff**") made its Ex Parte Application for Order Appoint Receiver, Temporary Restraining Order and Order to Show Cause (the "**Application**"), before the Honorable Aleisa F. Jones, presiding; and

WHEREAS, at the ex parte hearing the Court issued its Order Appointing Receiver, Temporary Restraining Order and Order to Show Cause (the "**Receiver Order**") appointing Donald G. Howell (the "**Receiver**") as receiver over certain personal property of Defendant

1 RUSSELL W. LESTER (“**Mr. Lester**”) identified in the Receiver Order as the Collateral and  
2 Collateral Records. A true and correct copy of the Receiver Order is attached hereto as **Exhibit**  
3 **A**;

4 WHEREAS, Plaintiff has filed with the Court an injunction bond pursuant to California  
5 Code of Civil Procedure Section 529 in the amount of \$10,000.00, as required by the Receiver  
6 Order;

7 WHEREAS, Plaintiff has filed with the Court an ex parte application bond pursuant to  
8 California Code of Civil Procedure Section 566(b) in the amount of \$10,000.00;

9 WHEREAS, the Receiver has filed with the Court his Oath, as required pursuant to  
10 California Code of Civil Procedure Section 567, and as required by the Receiver Order;

11 WHEREAS, the Receiver has filed with the Court his undertaking, as required pursuant  
12 to California Code of Civil Procedure Section 567, in the amount of \$10,000.00, as required by  
13 the Receiver Order;

14 WHEREAS, pursuant to the Receiver Order, the defendants were ordered to appear on  
15 June 29, 2020, at 10:00 a.m. (the “**Confirmation Hearing**”), in Department 22 of the Court  
16 before the Honorable Alesia F. Jones, and show cause, if any, why appointment of the Receiver  
17 should;

18 WHEREAS, Douglas H. Kraft, Esq., of Kraft Law appeared on behalf of Plaintiff, First  
19 Northern Bank of Dixon and Andrew L. Collier, of Downey Brand, LLP, appeared on behalf of  
20 the Defendant Mr. Lester and Defendant KATHLEEN HAMROCK LESTER (“**Mrs. Lester**”);  
21 and

22 WHEREAS, the Court have considered the Opposition to Confirmation of Receiver and  
23 Preliminary Injunction and pleading filed in support thereof (the “**Opposition**”), filed by  
24 Defendants Mr. Lester and Mrs. Lester, and the Reply to Opposition to Confirmation of Receiver  
25 and Preliminary Injunction and pleadings filed in support thereof (the “**Reply**”) filed by Plaintiff,  
26 First Northern Bank of Dixon, and having considered the arguments put forth at the  
27 Confirmation Hearing.

28

1 NOW, good cause appearing therefore, the Court hereby orders as follows:

2 IT IS ORDERED THAT:

3 1. The Receiver Order is hereby confirmed. Donald G. Howell is confirmed as  
4 receiver over the Collateral and Collateral Records, as described in the Receiver Order.

5 2. IT IS FURTHER ORDERED that Defendant RUSSELL W. LESTER, an  
6 individual, and Defendant KATHLEEN HAMROCK LESTER, an individual (together,  
7 **"Borrower"**, and each a **"Borrower"**), and all agents and employees of Borrower (the  
8 **"Enjoined Defendants"** and each an **"Enjoined Defendant"**) and each of them, and each of  
9 their agents, servants, directors, officers, affiliates, employees, attorneys, representatives, family  
10 members, and all other persons and entities who are successors in interest to or who are acting in  
11 concert or participating with them, or any of them, are hereby restrained and enjoined from  
12 engaging in or performing, directly or indirectly, any of the following acts:

- 13 a. retaining possession of the Collateral or the Collateral Records;
- 14 b. expending, disbursing, transferring, assigning, selling, conveying, devising,  
15 pledging, mortgaging, consigning, creating a security interest in,  
16 encumbering, concealing or in any manner whatsoever delaying in or  
17 disposing of the whole or any part of the Collateral or Collateral Records,  
18 without the written consent of the Receiver first being obtained;
- 19 c. demanding, collecting, receiving, expending, disposing, assigning, secreting  
20 or in any other way diverting, using or making unavailable to the Receiver any  
21 of the Collateral or Collateral Records, or any of the issues and proceeds  
22 thereof;
- 23 d. doing any act which will, or which will tend to, impair, defeat, divert, prevent  
24 or prejudice the preservation of the Collateral or Collateral Records, or  
25 Receiver's interest therein, in whatever form the interest is held or used as of  
26 this date, pending further proceedings in this action;
- 27  
28



- e. destroying, concealing, transferring or failing to preserve any document that evidences, reflects or pertains to the Collateral or Collateral Records, or any part thereof;
- f. committing or permitting any waste of the Collateral or Collateral Records, or any part thereof, or suffering, committing or permitting any acts thereon in violation of law;
- g. removing, transferring, encumbering or otherwise disposing of the Collateral or Collateral Records, until further order of this Court; or
- h. interfering in any manner with the Collateral or Collateral Records, or Receiver's possession thereof, including, without limitation, communicating or contacting any contractees of the Receiver, exercising or attempting to exercise any control or management of functions in connection with the Collateral or Collateral Records, or otherwise engaging in acts inconsistent with the Receiver's sole authority to operate, manage and control the Collateral or Collateral Records.

3. IT IS FURTHER ORDERED that the Enjoined Defendants shall immediately notify Receiver of the location of the inventory, equipment, and Collateral Records of Borrower, and immediately assemble all inventory, equipment, and Collateral Records, and shall allow the Receiver to take immediate possession of all inventory, equipment, and Collateral Records, and enter onto Borrower's business premises for the purposes of doing so.

4. IT IS FURTHER ORDERED that the Enjoined Defendants provide the Receiver within 24 hours of the Receiver's request all information and documentation required by any bank or other financial institution to open or maintain any accounts as provided under this Order.

5. IT IS FURTHER ORDERED that the Enjoined Defendants shall hold in trust and surrender to the Receiver all monies accountable to the revenues, issues and proceeds of the Collateral whether generated from the past or present, now in the possession, custody and control of Enjoined Defendants, or their agents, servants or employees, and all records, books of account, ledgers, and all documents and papers pertaining to the operation, maintenance and

proceeds of the Collateral, whether in the possession and control of the Enjoined Defendants or in the possession and control of agents, servants or employees of the Enjoined Defendants.

6. IT IS FURTHER ORDERED that the Enjoined Defendants shall have no further contact with account debtors regarding collection of the accounts without express written instructions from the Receiver.

7. IT IS FURTHER ORDERED that the Receiver and the parties to this action may, from time to time and upon due notice to the parties entitled thereto, petition this Court for instructions in pursuance of this order and further orders this Court may hereafter make.

IT IS SO ORDERED.

DATED: 6-29-20

[Signature]  
JUDGE OF THE SUPERIOR COURT

This instrument is a  
correct copy of the original  
on file in this office

ATTEST: JUN 29 2020

Clerk of the Superior  
Court of the State of California in and  
for the County of Solano

By [Signature]  
DEPUTY CLERK



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**EXHIBIT A**



DOUGLAS H. KRAFT, ESQ. (State Bar No. 155127)  
JOHN C. McCASLIN, ESQ. (State Bar No. 204983)  
KRAFT LAW  
11335 Gold Express Drive, Suite 125  
Gold River, California 95670  
Telephone: (916) 880-3040  
Facsimile: (916) 880-3045

Attorneys for First Northern Bank of Dixon

FILED  
SOLANO SUPERIOR COURT

2020 JUN 12 P 3:19

*[Signature]*  
JULIA C. DEAN

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA,  
IN AND FOR THE COUNTY OF SOLANO

FIRST NORTHERN BANK OF DIXON,  
Plaintiff,

vs.

RUSSELL W. LESTER, an individual;  
KATHLEEN HAMROCK LESTER, an individual;  
RUSSELL W. LESTER, as Trustee of the Lester Family Trust;  
KATHLEEN H. LESTER, as Trustee of the Lester Family Trust; and DOES 1-100, inclusive,

Defendants.

CASE NO. FCS054698

~~[PROPOSED]~~ ORDER APPOINTING  
RECEIVER, TEMPORARY  
RESTRAINING ORDER AND ORDER  
TO SHOW CAUSE

Date: June 12, 2020  
Time: 1:30 p.m.  
Dept: 22  
Location: 580 Texas St.  
Fairfield, CA 94533  
Judge: Hon. Alesia F. Jones

This instrument is a  
correct copy of the original  
on file in this office



ATTEST: JUN 12 2020

Clerk of the Superior  
Court of the State of California in and  
for the County of Solano

By: *[Signature]*  
DEPUTY CLERK

The Court having considered the Ex Parte Application of Plaintiff FIRST NORTHERN BANK OF DIXON ("Lender" or "Plaintiff") for Order Appoint Receiver, Temporary Restraining Order and Order to Show Cause (the "Application") and the pleadings filed in support thereof (the "Supporting Pleadings") and the Court having determined that good cause exists for the appointment of a receiver, and that Plaintiff is entitled to appointment of a receiver as a matter of law, and that Donald G. Howell, an individual (hereafter referred to as "Receiver"), is qualified to act as receiver in this action:

1           1.     IT IS ORDERED that Donald G. Howell be, and hereby is, appointed receiver of  
2 and over all of the following property of defendant RUSSELL W. LESTER ("Mr. Lester"):

3           a.     All of Mr. Lester's inventory, chattel paper, accounts, accounts receivable,  
4 equipment, general intangibles, crops (when severed from the land) farm  
5 equipment and contracts, including payments under any governmental  
6 agricultural diversion programs, governmental agricultural assistance  
7 programs, the Farm Services Agency Wheat Feed Grain Program, and any  
8 other such program of the United States Department of Agriculture, or any  
9 other general intangibles or programs; whether any of the foregoing is owned  
10 now or acquired later; all accessions, additions, replacements, and  
11 substitutions relating to any of the foregoing; all proceeds relating to any of  
12 the foregoing (including insurance, general intangibles and other accounts  
13 proceeds)" (the "Collateral"), together with all records and data relating to  
14 any of the Collateral, whether in the form of a writing, photograph, microfilm,  
15 microfiche, or electronic media, together with all of Grantor's right, title, and  
16 interest in and to all computer software required to utilize, create, maintain,  
17 and process any such records or data on electronic media (collectively, the  
18 "Collateral Records").

19           2.     IT IS FURTHER ORDERED that, upon Plaintiff filing an injunction bond  
20 pursuant to Code of Civil Procedure section 529 in the amount of \$10,000.00 and an ex-parte  
21 application bond pursuant to Code of Civil Procedure section 566 in the amount of \$10,000.00,  
22 and upon the Receiver's filing of an undertaking under Code of Civil Procedure section 567 in  
23 the amount of \$10,000.00 and the taking of his oath, the Receiver be vested with all of the  
24 powers and authority provided by law to receivers subject to the further confirmation and order  
25 of the Court. In addition, the Receiver shall have the following powers and responsibilities:

26           a.     After so qualifying, said Receiver shall take possession of the Collateral and  
27 all rents, issues, profits and income generated therefrom. Without limiting the  
28 generality of the foregoing, the Receiver is authorized to enter into all real

1 property owned or leased by Mr. Lester, including without limitation, and  
2 upon which any Collateral is or may be located (collectively, the “**Real**  
3 **Property**”), including but not limited to replacing or changing locks and  
4 codes as may be necessary for such purpose in the Receiver’s reasonable  
5 discretion.

6 b. To sell, lease, transfer, or otherwise deal with the Collateral on behalf of  
7 Lender in accordance with California Commercial Code (“UCC”) §9610 and  
8 the terms of the Agricultural Security Agreement dated December 31, 2018,  
9 and the Agricultural Security Agreement dated June 16, 2019, each executed  
10 by Mr. Lester in favor of Lender (the “**Security Agreements**”), and to  
11 otherwise exercise all rights and remedies of Lender under the UCC relating  
12 to the disposition of the Collateral, including the rights to collect and enforce  
13 accounts and general intangibles in accordance with UCC §9607.

14 c. The Receiver shall care for, preserve and maintain the Collateral and incur the  
15 expenses necessary in such care, preservation and maintenance, and monies  
16 coming into the possession of the Receiver pursuant hereto and not expended  
17 for any of the purposes herein authorized shall be held by the Receiver,  
18 subject to such orders as this Court may hereinafter issue as to its disposition.

19 d. The Receiver on his taking possession of the Collateral shall determine  
20 whether or not there is sufficient insurance coverage thereon. If sufficient  
21 insurance coverage does exist, the Receiver shall direct the insurer (and all  
22 defendants shall cooperate with the Receiver’s efforts) to add the Receiver as  
23 an additional insured on such policy for the period that the receivership estate  
24 shall be in possession of the Collateral. If sufficient insurance coverage does  
25 not exist, the Receiver shall notify all parties to this action, and it is hereby  
26 ordered that the Receiver shall have thirty (30) days to procure sufficient all-  
27 risk and liability insurance, excluding earthquake and flood insurance;  
28 provided, however, that, if Receiver does not have funds available to do so,



- 1 Receiver shall seek instructions from this Court with regard to whether  
2 insurance shall be obtained and how it is to be paid. If consistent with  
3 existing law, Receiver shall not be responsible for any actions, claims, costs,  
4 expenses, damages, liabilities, obligations, responsibilities, including any  
5 reasonable attorneys' fees and disbursements, in any way arising out of,  
6 connected to or related to Receiver's inability to obtain or procure insurance.
- 7 e. The Receiver may, in his discretion, take possession and control of all records,  
8 correspondence, general ledgers, cash receipts journals, books, and all deposit  
9 accounts which relate or refer to or that discuss the maintenance or proceeds  
10 of the Collateral, whether in possession and control of any or all of the  
11 defendants, or their agents, servants, or employees.
- 12 f. The Receiver may receive, open, and dispose of all mail addressed to the Mr.  
13 Lester and Dixon Ridge Farms and shall notify the post office authorities to  
14 change the address for delivery of mail addressed to the Mr. Lester and Dixon  
15 Ridge Farms to such address as the Receiver may designate.
- 16 g. The Receiver may conduct appropriate marketing and other activities in order  
17 to identify and obtain appropriate purchasers, selling agents, commission  
18 merchants, auctioneers or consignees for all or any portion of the Collateral.  
19 The Receiver may also, without prior court order, extend or modify, any  
20 leases of any portion of the real property on which Collateral is or may be  
21 located, on such terms the Receiver in his discretion deems best to protect  
22 Plaintiff's security under the Security Agreement.
- 23 h. The Receiver is empowered to establish accounts at such banks or financial  
24 institutions, the accounts of which are insured by the Federal Deposit  
25 Insurance Corporation, as the Receiver deems reasonably proper, and to  
26 deposit all monies that come into his possession into such accounts.
- 27 3. IT IS FURTHER ORDERED that, in addition to the power to sell, lease, consign,  
28 transfer, or otherwise deal with the Collateral on behalf of Lender in accordance with UCC §

1 9610 and the terms of the Security Agreements, the Receiver may conduct sales of any of the  
2 Collateral or portions thereof outside the ordinary course of business in compliance with  
3 California Code of Civil Procedure §568.5.

4 4. IT IS FURTHER ORDERED that all defendants, as well as all persons claiming  
5 possession or other rights by, through, or under them, must, on request and exhibition of a  
6 conformed copy of this Order, immediately deliver possession of any property described herein  
7 to the Receiver, along with all accounting, maintenance, rent, deposit accounts, safe deposit box  
8 contents, checks, drafts, any other negotiable instruments or deposits, and related records  
9 concerning the Collateral.

10 5. IT IS FURTHER ORDERED that, upon presentation of a conformed copy of this  
11 order to any third party, including but not limited to banks or depositories owing performance of  
12 any obligation or duty to the defendants with respect to the Collateral, such third parties shall  
13 render any performance or duties with respect to the Collateral directly to the Receiver.

14 6. IT IS FURTHER ORDERED that the Receiver may use the federal taxpayer  
15 identification number of any defendant in connection with any powers exercised pursuant to this  
16 Order. The Receiver shall have no responsibility for filing any federal or state tax returns on  
17 behalf of any defendant. The responsibility for filing federal or state tax returns shall lie  
18 exclusively with defendants.

19 7. IT IS FURTHER ORDERED that the Receiver is authorized to assume, extend, or  
20 modify any pre-receivership contracts relating to the Collateral and/or reject such contracts in the  
21 Receiver's sole judgment and discretion.

22 8. IT IS FURTHER ORDERED that the Receiver shall hold all monies coming into  
23 his possession in an interest-bearing account to be expended for the following purposes and in  
24 the following priorities:

- 25 a. for all expenses incurred by the Receiver in managing the Collateral;  
26 b. for the expenses of administering the receivership, including, but not limited  
27 to attorneys' fees and costs to be paid monthly by the Receiver from such  
28 funds as are in his possession, pursuant to paragraph 15, below;

- 1 c. for interim Receiver's fees to be paid monthly and to be paid by the Receiver  
2 from such funds as are in his possession, at the Receiver's normal and  
3 customary rate, pursuant to paragraph 15, below;  
4 d. the payment of any remaining funds to Plaintiff in respect of the obligations  
5 alleged in the complaint herein.

6 9. IT IS FURTHER ORDERED that, in addition to all powers herein above set  
7 forth, the Receiver is shall be and is hereby authorized to borrow money from Plaintiff, without  
8 further Order of this Court, up to Seventy-Five Thousand and No/100 Dollars (\$75,000.00), as  
9 needed, to carry out any of the duties set forth in this Order. The borrowing of such funds shall  
10 be upon such terms and conditions acceptable to the Receiver, in the Receiver's sole and  
11 absolute discretion, provided that the interest rate charged on such funds shall be at the highest  
12 non-default rate allowed under the promissory notes (the "Notes") evidencing the loans secured  
13 by the Security Agreements (the "Loan"). Any such advances by Plaintiff to the Receiver shall  
14 be deemed to be secured advances, to be added to the indebtedness secured by the Security  
15 Agreements, and the security interests created by the Security Agreements shall retain their lien  
16 priority as to the entire indebtedness, including said advances, notwithstanding the fact that said  
17 advances shall increase the indebtedness secured by the Security Agreements. The Receiver is  
18 further authorized to issue a Receiver's Certificate of Indebtedness to evidence the obligation of  
19 the Receivership estate (and not the Receiver individually) to repay such sums borrowed from  
20 Plaintiff as may be necessary to satisfy the costs and expenses of the Receivership; the principal  
21 sum of each Certificate, together with interest thereon at the highest non-default rate specified in  
22 the Note, shall be payable out of the next available rent, issues, profits or proceeds attributable to  
23 the Collateral or from the proceeds from the sale of any of the Collateral.

24 10. IT IS FURTHER ORDERED that, in addition to all powers herein above set  
25 forth, the Receiver is hereby vested with all of the general powers of receivers in cases of this  
26 kind, subject to the direction of this Court, and said Receiver shall, from time to time, or when  
27 directed by the Court, render to the Court reports of the proceedings and accountings with  
28



1 respect to all of the acts and things done by him and all monies received and expended by him or  
2 his agents.

3 11. IT IS FURTHER ORDERED that in discharging the terms of this Order, the  
4 Receiver is authorized to do all things and incur the risks and obligation incurred by owners,  
5 managers and operators of businesses similar to those of defendants; provided, however, that no  
6 risks or obligations so incurred shall be the personal risk or obligation of the Receiver, but shall  
7 be a risk or obligation of the receivership estate.

8 12. IT IS FURTHER ORDERED that, the Receiver is authorized to employ the law  
9 firm of Gilmore Magness Janisse, a Professional Corporation, as Receiver's legal counsel  
10 ("Receiver's Counsel") in this matter, as reasonably necessary to accomplish the purposes of  
11 this Order. Compensation to Receiver's Counsel shall be based on an hourly rate not to exceed  
12 \$410 per hour. Receiver's Counsel shall be entitled to reimbursement of all reasonable costs and  
13 expenses incurred on behalf of the Receivership estate. The attorneys' fees and cost incurred by  
14 Receiver's Counsel may be included in the administrative costs and expenses to be paid to the  
15 Receiver in accordance with paragraph 8 of this Order.

16 13. IT IS FURTHER ORDERED that the Receiver shall be paid an hourly rate of  
17 Two Hundred Twenty-five Dollars (\$225.00). Receiver shall be entitled to charge mileage at the  
18 rate of \$0.575 per mile (excluding mileage from Receiver's place of business to the principal  
19 place of business of Mr. Lester and back). Receiver shall be entitled to be reimbursed for  
20 expenses incurred at cost.

21 14. IT IS FURTHER ORDERED that in addition to the employment of an attorney as  
22 described in paragraph 12 of this Order (which is authorized without further Order of this Court)  
23 the Receiver may, without further Order of the Court, employ an accountant or CPA to assist in  
24 the identification of and collection of the accounts and the Collateral, and provide such other  
25 accounting services the Receiver may require, provided that the hourly rate for such accountant  
26 or CPA shall not exceed \$250 per hour.

27 15. IT IS FURTHER ORDERED that the Receiver is authorized to prepare periodic  
28 interim statements reflecting the Receiver's fees and administrative costs and expenses incurred

1 for said period in the operation and administration of the receivership estate herein. Upon  
2 completion of an interim statement, and mailing said statement to the parties' respective  
3 attorneys of record or any other designated person or agent, the Receiver may pay from the  
4 receivership estate funds, if any, in the amount of said statement, if no objection thereto is filed  
5 and served within ten (10) calendar days of such mailing by the Receiver. If the receivership  
6 estate has no funds at the end of the interim period, upon delivery of the interim statement and  
7 notice thereof, Plaintiff shall pay to the Receiver all fees and expenses to which it does not file  
8 an objection within ten (10) business days. Despite the periodic payment of Receiver's fees and  
9 administrative expenses, said fees and expenses shall be submitted to the Court, for its approval  
10 and confirmation, in the form of either a noticed interim request for fees, stipulation among the  
11 parties, or Receiver's final account and report. Plaintiff shall have the right to add to its secured  
12 obligation any fees and expenses of the Receiver paid by the Plaintiff to the extent that Plaintiff  
13 is entitled to do so by applicable law.

14 16. IT IS FURTHER ORDERED that the Receiver shall, within thirty (30) days of his  
15 qualification hereunder, file in this action an inventory of all property of which he shall have  
16 taken possession pursuant hereto, pursuant to California Rules of Court, Rule 353(c).

17 17. IT IS FURTHER ORDERED that no person or entity shall file suit against the  
18 Receiver, or take any other action against the Receiver, without an order of this Court permitting  
19 the suit or action; provided however, that no prior court order is required to file a motion in this  
20 action to enforce any provision of this Order or any other order of this Court in this action.

21 18. IT IS FURTHER ORDERED that the Receiver and the receivership estate, and its  
22 employees, agents, attorneys and all professional and management companies retained by the  
23 Receiver shall have no liability or obligation for the debts incurred by defendants. The Receiver  
24 and its employees, agents and attorneys shall have no personal liability, and they shall have no  
25 claim asserted against them relating to the Receiver's duties under this Order, without prior  
26 authority from this Court as stated in paragraph 17 above.

27 19. IT IS FURTHER ORDERED that Defendant RUSSEL W. LESTER, an  
28 individual, and Defendant KATHLEEN HAMROCK LESTER, an individual (together,

1 “Borrower”, and each a “Borrower”), and all agents and employees of Borrower (the  
2 “Enjoined Defendants” and each an “Enjoined Defendant”) and each of them, and each of  
3 their agents, servants, directors, officers, affiliates, employees, attorneys, representatives, family  
4 members, and all other persons and entities who are successors in interest to or who are acting in  
5 concert or participating with them, or any of them, are hereby restrained and enjoined from  
6 engaging in or performing, directly or indirectly, any of the following acts:

- 7 a. retaining possession of the Collateral or the Collateral Records;
- 8 b. expending, disbursing, transferring, assigning, selling, conveying, devising,  
9 pledging, mortgaging, consigning, creating a security interest in,  
10 encumbering, concealing or in any manner whatsoever delaying in or  
11 disposing of the whole or any part of the Collateral or Collateral Records,  
12 without the written consent of the Receiver first being obtained;
- 13 c. demanding, collecting, receiving, expending, disposing, assigning, secreting  
14 or in any other way diverting, using or making unavailable to the Receiver any  
15 of the Collateral or Collateral Records, or any of the issues and proceeds  
16 thereof;
- 17 d. doing any act which will, or which will tend to, impair, defeat, divert, prevent  
18 or prejudice the preservation of the Collateral or Collateral Records, or  
19 Receiver’s interest therein, in whatever form the interest is held or used as of  
20 this date, pending further proceedings in this action;
- 21 e. destroying, concealing, transferring or failing to preserve any document that  
22 evidences, reflects or pertains to the Collateral or Collateral Records, or any  
23 part thereof;
- 24 f. committing or permitting any waste of the Collateral or Collateral Records, or  
25 any part thereof, or suffering, committing or permitting any acts thereon in  
26 violation of law;
- 27 g. removing, transferring, encumbering or otherwise disposing of the Collateral  
28 or Collateral Records, until further order of this Court; or



1 h. interfering in any manner with the Collateral or Collateral Records, or  
2 Receiver's possession thereof, including, without limitation, communicating  
3 or contacting any contractees of the Receiver, exercising or attempting to  
4 exercise any control or management of functions in connection with the  
5 Collateral or Collateral Records, or otherwise engaging in acts inconsistent  
6 with the Receiver's sole authority to operate, manage and control the  
7 Collateral or Collateral Records.

8 20. IT IS FURTHER ORDERED that the Enjoined Defendants shall immediately  
9 notify Receiver of the location of the inventory, equipment, and Collateral Records of Borrower,  
10 and immediately assemble all inventory, equipment, and Collateral Records, and shall allow the  
11 Receiver to take immediate possession of all inventory, equipment, and Collateral Records, and  
12 enter onto Borrower's business premises for the purposes of doing so.

13 21. IT IS FURTHER ORDERED that the Enjoined Defendants provide the Receiver  
14 within 24 hours of the Receiver's request all information and documentation required by any  
15 bank or other financial institution to open or maintain any accounts as provided under this Order.

16 22. IT IS FURTHER ORDERED that the Enjoined Defendants shall hold in trust and  
17 surrender to the Receiver all monies accountable to the revenues, issues and proceeds of the  
18 Collateral whether generated from the past or present, now in the possession, custody and control  
19 of Enjoined Defendants, or their agents, servants or employees, and all records, books of  
20 account, ledgers, and all documents and papers pertaining to the operation, maintenance and  
21 proceeds of the Collateral, whether in the possession and control of the Enjoined Defendants or  
22 in the possession and control of agents, servants or employees of the Enjoined Defendants.

23 23. IT IS FURTHER ORDERED that the Enjoined Defendants shall have no further  
24 contact with account debtors regarding collection of the accounts without express written  
25 instructions from the Receiver.

26 24. IT IS FURTHER ORDERED that the Receiver and the parties to this action may,  
27 from time to time and upon due notice to the parties entitled thereto, petition this Court for  
28 instructions in pursuance of this order and further orders this Court may hereafter make.

25. IT IS FURTHER ORDERED that defendants appear on June 29, 2020, at 10:00 A.m. in Department 22 of this Court, located at located at 580 Texas St., Fairfield, CA 94533 (the "Hearing"), and show cause, if any, why appointment of the Receiver should not be confirmed and the preliminary injunction requested by Plaintiff should not be issued.

26. IT IS FURTHER ORDERED that, Plaintiff shall serve the Application, the Supporting Pleadings, and this Order on the Enjoined Defendants, through their counsel of record, on or before June 19, 2020, such service to be made either personally, by Federal Express or other nationally recognized overnight delivery service, email, or by personal delivery. Any opposition to the confirmation of the appointment of the Receiver and the issuance of the preliminary injunction shall be in writing and shall filed with the Court and served on Plaintiff on or before 3:00 p.m. on June 24, 2020. Any such opposition and supporting pleadings shall be filed and served by Federal Express or other nationally recognized overnight delivery service, email, or by personal delivery, or any other method which will cause delivery of same to be received within 24 hours of filing. Any reply to any such opposition, and all supporting pleadings, shall be filed and served by Plaintiff no later than 5:00 p.m. on June 26, 2020. Any such reply and supporting pleadings may be filed and served by Federal Express or other nationally recognized overnight delivery service, email, or by personal delivery, or any other method which will cause delivery of same to be received within 24 hours of filing.

IT IS SO ORDERED.

DATED: 6-12-20

[Signature]  
JUDGE OF THE SUPERIOR COURT

**PROOF OF SERVICE**

I am employed in the County of Sacramento, State of California. I am over the age of 18 and not a party to the within action; my business address is 11335 Gold Express Drive, Suite 125, Gold River, California 95670.

On June 29, 2020, I served the foregoing document(s) described as:

**NOTICE OF ENTRY OF ORDER**

on the interested parties to this action by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid in the United States Mail at Gold River, California addressed as follows:

Andrew L. Collier Esq.  
DOWNEY BRAND LLP  
621 Capitol Mall, 18th Floor  
Sacramento, CA 95814  
*Attorneys for Defendants*  
[acollier@DowneyBrand.com](mailto:acollier@DowneyBrand.com)  
[lcortez@downeybrand.com](mailto:lcortez@downeybrand.com)

Christopher E. Seymour, Esq.  
GILMORE MAGNESS JANISSE, a Professional Corporation  
7789 N. Ingram Avenue, Ste. 105  
Fresno, CA 93711  
*Attorneys for Receiver Donald G. Howell*  
[Cseymour@gmlegal.net](mailto:Cseymour@gmlegal.net)  
[iwillard@gmlegal.net](mailto:iwillard@gmlegal.net)

☒ **(BY ELECTRONIC SERVICE)**

Based on a court order or an agreement of the parties to accept service by electronic transmission, I caused the above described document to be to the persons at the electronic notification addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

☒ **(STATE)**

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 29, 2020, at Gold River, California.

  
Cheyanne Anquoe



# EXHIBIT B

CHRISTOPHER E. SEYMOUR, #126330  
cseymour@gmlegal.net  
GILMORE MAGNESS JANISSE  
Post Office Box 28907  
Fresno, California 93729-8907  
Telephone: (559) 448-9800  
Facsimile: (559) 448-9899

**ENDORSED FILED**  
Clerk of the Superior Court

JUN 19 2020

Attorneys for Donald G. Howell, Receiver

By J. Abueg  
DEPUTY CLERK

SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SOLANO

FIRST NORTHERN BANK OF DIXON,

Case No. FCS054698

Plaintiff,

**OATH OF RECEIVER**

v.

RUSSELL W. LESTER, an individual;  
KATHLEEN HAMROCK LESTER, an  
individual; RUSSELL W. LESTER, as  
Trustee of the Lester Family Trust;  
KATHLEEN H. LESTER, as Trustee of  
the Lester Family Trust; and DOES 1-100,  
inclusive

Defendant.

I, Donald G. Howell, having been appointed receiver in this action, do  
hereby solemnly affirm that I will support the Constitutions of the United States of  
America and the State of California and that I will perform the duties of receiver faithfully,  
in accordance with the law, and to the best of my ability.

I declare under penalty of perjury under the laws of the State of California  
that the foregoing is true and correct. Executed on June 19, 2020, at Fresno, California.

  
Donald G. Howell

**PROOF OF SERVICE**

**First Northern Bank v. Russell W. Lester, et al.**  
**Case No. FCS054698**

**STATE OF CALIFORNIA, COUNTY OF FRESNO**

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Fresno, State of California. My business address is Post Office Box 28907, Fresno, CA 93729-8907.

On June 17, 2020, I served true copies of the following document(s) described as **OATH RECEIVER** on the interested parties in this action as follows:

**VIA EMAIL**

Douglas Kraft  
**KRAFT LAW**  
11335 Gold Express Drive, Ste. 125  
Gold River, CA 95670  
Tel: (916) 880-3040  
Fax: (916) 880-3045  
Email: [dkraft@dougaskraft.com](mailto:dkraft@dougaskraft.com)

**VIA USPS MAIL**

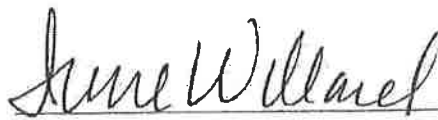
Andrew L. Collier  
**DOWNEY BRAND LLP**  
621 Capitol Mall, 18<sup>th</sup> Floor  
Sacramento, CA 95814  
Tel: (916) 444-1000  
Fax: (916) 444-2100  
Email: [acollier@downeybrand.com](mailto:acollier@downeybrand.com)

**BY MAIL:** I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed in the Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Gilmore Magness Janisse's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

**BY E-MAIL OR ELECTRONIC TRANSMISSION:** Based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the document(s) to be sent from e-mail address [iwillard@gmlegal.net](mailto:iwillard@gmlegal.net) to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 17, 2020, at Fresno, California.

  
Irene Willard



1 CHRISTOPHER E. SEYMOUR, #126330  
 2 cseymour@gmlegal.net  
 3 GILMORE MAGNESS JANISSE  
 4 Post Office Box 28907  
 5 Fresno, California 93729-8907  
 6 Telephone: (559) 448-9800  
 7 Facsimile: (559) 448-9899  
 8 Attorneys for Donald G. Howell

**ENDORSED FILED**  
 Clerk of the Superior Court

JUN 19 2020

J. Abueg

By DEPUTY CLERK

SUPERIOR COURT OF CALIFORNIA  
 COUNTY OF SOLANO

11 FIRST NORTHERN BANK OF DIXON,

Case No. FCS054698

12 Plaintiff,

**BOND OF RECEIVER**

13 v.

14 RUSSELL W. LESTER, an individual;  
 15 KATHLEEN HAMROCK LESTER, an  
 16 individual; RUSSELL W. LESTER, as  
 17 Trustee of the Lester Family Trust;  
 18 KATHLEEN H. LESTER, as Trustee of  
 19 the Lester Family Trust; and DOES 1-100,  
 20 inclusive

21 Defendant.



THE HARTFORD

(This is the address for service under section 995.320 C.C.P.)

IN THE Superior COURT  
COUNTY OF Solano  
STATE OF CALIFORNIA

57BSBIJ0031

Plaintiff(s)

FIRST NORTHERN BANK OF DIXON

Case No. FCS054698

VS

BOND OF RECEIVER

Defendant(s)

RUSSEL W. LESTER, an individual; KATHLEEN  
HAMROCK LESTER, an individual; RUSSELL W.  
LESTER, as Trustee of the Lester Family  
Trust; KATHLEEN H. LESTER, as Trustee of the  
Lester Family Trust; and DOES 1-100,  
inclusive

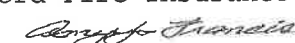
KNOW ALL MEN BY THESE PRESENTS:

That we Donald G. Howell  
as Principal(s), and Hartford Fire Insurance Company as Surety, are firmly bound unto the State Of  
California as Oblige in the sum of Ten Thousand Dollars  
(\$10,000 ) to be paid to the said Oblige, for which payment, well and truly to be made, we bind  
ourselves, our heirs, legal representatives, successors and assigns, jointly and severally, firmly by these  
presents.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT,  
WHEREAS by order of the above entitled Court, the Principal(s) has (have) been appointed Receiver(s)  
therein and directed to file a bond according to law in the sum above named.  
NOW, THEREFORE, if the said Principal(s) shall faithfully execute the duties of the trust according to  
law, then this obligation shall be void; otherwise to remain in full force and effect.

Signed, sealed and dated this 16th day of June, 2020

Donald G. Howell  
By  Principal

Hartford Fire Insurance Company  
By   
Amy Jo Francis, Attorney-in-Fact

Bond No. 57BSBIJ0031  
The premium Charged for this bond  
is \$ 100 per annum



57BSBIJ0031

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

**ACKNOWLEDGEMENT OF SURETY**

State of Florida

County of Seminole

}

On June 16, 2020 before me, Shantadevie Mahadeo, Notary  
date here insert name and title of the officer  
 personally appeared Amy Jo Francis, Attorney-in-fact  
name(s) of signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Shantadevie Mahadeo* (Seal)





# POWER OF ATTORNEY

**Direct Inquiries/Claims to:**  
**THE HARTFORD**  
 BOND, T-11  
 One Hartford Plaza  
 Hartford, Connecticut 06155  
Bond.Claims@thehartford.com  
 call: 888-266-3488 or fax: 860-757-5835

KNOW ALL PERSONS BY THESE PRESENTS THAT:

Agency Name: OMEGA PACIFIC INSURANCE SOLUTIONS  
 Agency Code: 57-129520

- |                                     |  |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | Hartford Fire Insurance Company, a corporation duly organized under the laws of the State of Connecticut         |
| <input type="checkbox"/>            | Hartford Casualty Insurance Company, a corporation duly organized under the laws of the State of Indiana         |
| <input type="checkbox"/>            | Hartford Accident and Indemnity Company, a corporation duly organized under the laws of the State of Connecticut |
| <input type="checkbox"/>            | Hartford Underwriters Insurance Company, a corporation duly organized under the laws of the State of Connecticut |
| <input type="checkbox"/>            | Twin City Fire Insurance Company, a corporation duly organized under the laws of the State of Indiana            |
| <input type="checkbox"/>            | Hartford Insurance Company of Illinois, a corporation duly organized under the laws of the State of Illinois     |
| <input type="checkbox"/>            | Hartford Insurance Company of the Midwest, a corporation duly organized under the laws of the State of Indiana   |
| <input type="checkbox"/>            | Hartford Insurance Company of the Southeast, a corporation duly organized under the laws of the State of Florida |

having their home office in Hartford, Connecticut (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint Amy Jo Francis of Lake Mary, Florida, its true and lawful Attorney-in-Fact, to sign its name as surety(ies) only as delineated above by , and to execute, seal and acknowledge the following bond, undertaking, contract or written instrument:

Bond No. 57BSBIJ0031

Naming Donald G. Howell as Principal,

and Superior Court of CA, County of Solano as Obligee,

in the amount of See Bond Form(s) on behalf of Company in its business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on May 23, 2016 the Companies have caused these presents to be signed by its Assistant Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



*Shelby Wiggins*

Shelby Wiggins, Assistant Secretary

*Joelle L. LaPierre*

Joelle L. LaPierre, Assistant Vice President

STATE OF FLORIDA

COUNTY OF SEMINOLE

ss. Lake Mary

On this 13th day of February, 2020, before me personally came Joelle LaPierre, to me known, who being by me duly sworn, did depose and say: that (s)he resides in Seminole County, State of Florida; that (s)he is the Assistant Vice President of the Companies, the corporations described in and which executed the above instrument; that (s)he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that (s)he signed his/her name thereto by like authority.



*Jessica Ciccone*

Jessica Noelle Ciccone  
 My Commission #FF029702  
 Expires June 20, 2021

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of June 16, 2020.

Signed and sealed in Lake Mary, Florida.



*Keith D. Dozois*

Keith D. Dozois, Assistant Vice President



**Producer Compensation Notice  
To The Principal**

You can review and obtain information on The Hartford's  
producer compensation practices at [www.thehartford.com](http://www.thehartford.com)  
or at 1-800-592-5717.

**PROOF OF SERVICE**

**First Northern Bank v. Russell W. Lester, et al.**  
**Case No. FCS054698**

**STATE OF CALIFORNIA, COUNTY OF FRESNO**

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Fresno, State of California. My business address is Post Office Box 28907, Fresno, CA 93729-8907.

On June 17, 2020, I served true copies of the following document(s) described as **BOND OF RECEIVER** on the interested parties in this action as follows:

**VIA EMAIL**

Douglas Kraft  
KRAFT LAW  
11335 Gold Express Drive, Ste. 125  
Gold River, CA 95670  
Tel: (916) 880-3040  
Fax: (916) 880-3045  
Email: [dkraft@douglaskraft.com](mailto:dkraft@douglaskraft.com)

**VIA USPS MAIL**


Andrew L. Collier  
DOWNEY BRAND LLP  
621 Capitol Mall, 18<sup>th</sup> Floor  
Sacramento, CA 95814  
Tel: (916) 444-1000  
Fax: (916) 444-2100  
Email: [acollier@downeybrand.com](mailto:acollier@downeybrand.com)

**BY MAIL:** I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed in the Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Gilmore Magness Janisse's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

**BY E-MAIL OR ELECTRONIC TRANSMISSION:** Based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the document(s) to be sent from e-mail address [iwillard@gmlegal.net](mailto:iwillard@gmlegal.net) to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 17, 2020, at Fresno, California.

  
Irene Willard

# EXHIBIT C



**Northern Bank of Dixon v Russell Lester**  
**Case Number FCS054698**  
**Receivers Equipment Inventory**

**WALNUT INVENTORY:**

In-Shell	1,991,876 Pounds
Shelled Meats	1,923,127 Meat Pounds

**HAY INVENTORY:**

Oat Hay	400 Tons
---------	----------

Northern Bank of Dixon v Russell Lester  
Case Number FCS054698  
Receivers Equipment Inventory

EQUIPMENT INVENTORY:

Harvest Equipment

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Combine	Case	1660	Grain Harvester w/ Head	26912
Combine	Case	1010	Wheat Head for Harvester	JJC0077704
Cutter	HFT	830	Bean Cutter	16809
Elevator	Compton	Missing	Field Elevator	Missing
Elevator	Jessee	202-36	Field Elevator	00045
Harvester	Gustafson	Missing	Almond Harvester	Missing
Harvester	International	810-17.5	Bean Pickup Header	23044
Harvester	Weiss McNair	9800	Nut Harvester	99439
Hay Rake	Unknown	Unknown	Side Delivery Hay Rake	Missing
Nut Cart	Flory	Missing	Super Cart	Missing
Nut Cart	Jackrabbit	HP 335	Reservoir Cart	0271
Nut Cart	Jackrabbit	SJ 17PF	Stickjack	Missing
Nut Cart	Johnie's	Missing	Super Cart	Missing
Nut Cart	McFaddin	Missing	Super Cart	Missing
Nut Cart	RFM	1091	Super Cart	8 SC 003
Nut Cart	RFM	1091	Super Cart	8 CS 010
Shaker	OMC	3WMB	Shaker	Missing
Shaker	OMC	3WMB	Shaker - Shockwave	Missing
Shaker	OMC	3WMB	Shaker - Shockwave	0050
Sweeper	Weiss McNair	JD 90	Sweeper	99036
Sweeper	Weiss McNair	2930	Sweeper	Missing
Bins	Cal Pine	Missing	4' x 4' x 4' Wood Bins x 3,515	Missing
Bins	Macro	Missing	4' x 4' x 4' Plastic Bins x 2,486	Missing
Bins	Macro	Missing	4' x 4' x 2' Plastic Bins x 20	Missing

## Northern Bank of Dixon v Russell Lester

Case Number FCS054698

## Receivers Equipment Inventory

Page Two

## Implements

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Cultivator	Allis Chalmers	1300	Field Cultivator	1488
Cultivator	Custom	Missing	10' 3 Point Root Cutter	Missing
Cultivator	John Deere	EO 400	Rotary Hoe	020564N
Cultivator	Johnson	360	All Purpose Incorporator	AP 15
Cultivator	Lilliston	RC 30	Lilliston Wheel Cultivator	1040
Cultivator	Unknown	Missing	15' Cultivator Sled	Missing
Cultivator	Unknown	Missing	20' Cultivator Bar	Missing
Cultivator	Unknown	Missing	6 Row Shielded Cultivator Sled	Missing
Disk	AC Midland	Missing	9'9" Wheel Disk	Missing
Disk	Allis Chalmers	L	12' Drag Disk	Missing
Disk	Allis Chalmers	GWO	12' Stubble Disk	Missing
Disk	Allis Chalmers	WK 15	15' Disk	WK 15 075306-0884
Disk	Allis Chalmers	L	24' Drag Disk	075310
Disk	Allis Chalmers	L	32' Drag Disk	075310-2319
Disk	John Deere	225	10' Wheel Disk	Missing
Disk	Kilifer	K8701	9'9" Drag Disk	Missing
Disk	Kilifer	Missing	9'9" Drag Disk	Missing
Disk	Unknown	Missing	Disk Plow	Missing
Harrow	Glencoe	Missing	15' Harrow	Missing
Harrow	Spike	Missing	20' Spike, 3 Section, Pull	Missing
Landplane	Eversman	Missing	10' x 40' Triplane	Missing
Landplane	Gustafson	Missing	Orchard Landplane	Missing
Landplane	Marvin	Missing	10' x 20' Landplane	Missing
Landplane	RFM	Missing	10' Landplane	LP 97034
Landplane	Sweco	16' x 40'	16' x 40' Triplane	ST4016-030
Lister	Roll - A Cone	6 x 60	6 x 60 Folding Lister	93-02759
Lister	Unknown	Missing	15' Lister w/ Bed Shapers	Missing
Lister	Unknown	Missing	Heavy Duty Lister Sled	Missing
Mower	Bear Cat	75065	Wheeled String Mower	506871
Mower	Bear Cat	75065	Wheeled String Mower	600015
Mower	Billy Goat	BC2402H	Walk Behind Brush Shredder	040406076
Mower	Dandl	80A	10' Flail Mower	80AG208
Mower	Loftness	180BPLLR	Flail Chopper	29-E-59
Mower	Rears	Missing	10' Flail Mower	Missing
Mower	Rears	Missing	12' Flail Mower	Missing
Mower	Rears	Missing	8' Flail Mower	Missing
Mower	Rhino	Missing	10' Flail Mower	10002
Mower	Rhino	RC 20	20' Flail Mower	10034
Mower	Trimax	TTU178	Rotary Mower	TTU011178111M
Planter	John Deere	71	6 Row Planter	Missing

## Northern Bank of Dixon v Russell Lester

Case Number FCS054698

## Receivers Equipment Inventory

Page Three

## Implements - Continued

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Planter	John Deere	6 x 30	6 x 30 Bar w/ John Deere 71 Cans	Missing
Planter	Lely	Missing	3 Point Broadcaster	Missing
Planter	Oliver	64	12' Drill	Missing
Plow	Oliver	Missing	3 Bottom Roll Over Plow	Missing
Plow	Wilcox	20' x 3 Bar	7 Bottom Roll Over Plow	Missing
Plow	Wilcox	Missing	7 Bottom Roll Over Plow	Missing
Ridger	Reynolds	LPH	3 Pt. Ridger	18945
Ridger	Unknown	Missing	California Ridger	Missing
Ripper	Cash / IH	SubSol	9 Shank Ripper	0362907
Ripper	Kilifer	Missing	Single Shank Ripper	Missing
Ripper	Murray	M 55 S	5 shank 45" Ripper	Missing
Roller	Cat	4 x 4	Sheepsfoot	Missing
Roller	Gustafson	Missing	3 x 5 Rollers	Missing
Roller	Schmeiser	Missing	10'	Missing
Roller	Schmeiser	Missing	10' Ring Roller	Missing
Roller	Schmeiser	Missing	16' Ring Roller	Missing
Roller	Schmeiser	Missing	20'	Missing
Roller	Schmeiser	Missing	6'	Missing
Roller	Schmeiser	Missing	6'	Missing
Roller	Unknown	Missing	10' - 12" Flat Roller	Missing
Roller	Unknown	Missing	10' - 24" Flat Roller	Missing
Roller	Unknown	Missing	16' Ring Roller	Missing
Roller	Unknown	Missing	16' Roller for Ripper	Missing
Rototiller	Belco	590	Rototiller	20533
Scraper	Ateco	H-71	7 Yard Carryall	2794
Scraper	Gannon	R-30L	6" w/ Hyd. Rippers	480
Scraper	John Deere	9K	10' Carry All	9K10-02
Scraper	Porter	Missing	10" Drag Scraper	HDS 101155
Scraper	Reynolds	Missing	Scraper	18251
Scraper	Rhino	2500	3 Pt. Angle Blade	10425
Scraper	Schmeiser	VBL - 14 R	V Blade Scraper	Missing
Spreader	KMC	Missing	Gable Spreader	Missing
Spreader	S & A	3260	Compost Spreader	Missing

## Miscellaneous Equipment

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Forklift	Blackwelder	Missing	3 Pt Tractor Forklift	Missing
Gopher Bait	Verminator	CXE647	Gopher Bait Machine	Missing
Irrigation	Unknown	Missing	10' x 40' Aluminum Pipe x 40	Missing
Irrigation	Unknown	Missing	12" x 40' Aluminum Pipe x 24	Missing



## Northern Bank of Dixon v Russell Lester

Case Number FCS054698

## Receivers Equipment Inventory

Page Four

## Miscellaneous Equipment - Continued

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Irrigation	Unknown	Missing	12" x 45' Aluminum Pipe x 12	Missing
Irrigation	Unknown	Missing	12" x 45' Aluminum Pipe x 12	Missing
Irrigation	Unknown	Missing	3" Aluminum Pipe w/ Risers x 430	Missing
Irrigation	Unknown	Missing	8' x 30' Aluminum Pipe x 218	Missing
Irrigation	Unknown	Missing	Drip Hose Reel	Missing
Magnet	Rhino	62	Magnetic Sweeper for ATV	Missing
Motor	GE	Hollow Shaft	100 H.P Electric	Missing
Motor	GE	Hollow Shaft	50 H.P Electric	Missing
Motor	GE	Hollow Shaft	60 H.P Electric	Missing
Motor	GE	Hollow Shaft	75 H.P Electric	Missing
Motor	John Deere	6466-AF-00	Stationary Power Unit	103245RG
Pump	Berklet	Missing	3 Pt. Pump	Missing
Shanks	Unknown	Missing	Various Cultivator Shanks	Missing
Tank	Mueller	Missing	5,000 Gallon Jacketed Tank	Missing
Tank	Unknown	Missing	600 Gallon Water Tank	Missing
Tank	Unknown	Missing	600 Gallon Water Tank	Missing

## Processing Equipment

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Airleg	AIM	26-6C	Airleg	Missing
Airleg	Gustafson	Missing	Airleg	Missing
Airleg	Gustafson	Missing	Airleg	Missing
Airleg	Gustafson	Missing	Airleg	Missing
Bench	Unknown	Missing	24" x 12" SS Work Bench	Missing
Bin Dumper	Custom	Missing	In-Shell Bin Dumper w/ Tank	Missing
Cabinet	Unknown	Missing	32" x 74" SS Work Cabinet	Missing
Chutes	Sortex	3200 IR/VIS	Long Chute	Missing
Chutes	Sortex	3200 IR/VIS	Long Chute	Missing
Chutes	Sortex	3200 IR/VIS	Long Chute	Missing
Chutes	Sortex	3200 IR/VIS	Long Chute	Missing
Chutes	Sortex	3200 IR/VIS	Short Chute	Missing
Chutes	Sortex	3200 IR/VIS	Short Chute	Missing
Chutes	Sortex	3200 IR/VIS	Short Chute	Missing
Cleaner	Gustafson	Missing	Almond Meat Cleaner	Missing
Counter	Unknown	Missing	24" x 7" SS Drain Counter w/ sinks	Missing
Dryer	Blue Line	Missing	Gas Dryer	Missing
Dryer	Peerless	Missing	Gas Dryer	Missing
Dryer	Reverse Vane	Missing	Dryer w/ Burner	Missing
Dryer	Reverse Vane	Missing	Dryer w/ Burner	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing

## Northern Bank of Dixon v Russell Lester

Case Number FCS054698

## Receivers Equipment Inventory

Page Five

## Processing Equipment - Continued

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Dryer	Sykup	Missing	Gas Dryer	Missing
Elevator	RFM	Missing	Nut Elevator	Missing
Huller	Fadie	Missing	30' Almond Huller	Missing
Huller	Wizard	R12	Huller, Left Hand	Missing
Huller	Wizard	R12	Huller, Right Hand	Missing
Huller	Wizard	Missing	Hulling Plant	Missing
Huller	Wizard	R9	Walnut Huller	Missing
Roller Sizer	Commercial	Missing	Nut Sizer	Missing
Roller Sizer	Commercial	Missing	Nut Sizer	Missing
Scale	Unknown	Missing	120 Lb. Bench Scale	Missing
Screener	Unknown	Missing	Commercial Screener	Missing
Sheller	Commercial	Missing	Walnut Sheller	Missing
Table	AIM	DRF SS TrplCas	SS Sorting Table	Missing
Table	AIM	DRF SS TrplCas	SS Sorting Table	Missing
Table	AIM	Missing	SS Sorting Table	Missing
Table	Unknown	Missing	30"x36" SS Scale Table	Missing
Table	Unknown	Missing	SS Electronic Sort Frame	Missing
Vacuum	Turbovac	SB 1000	Vacuum Packing Machine	Missing
Scale	LHW	Missing	300 Pound Bench Scale	000355
Packing	Actionpac	ME 1095CSD	Bulk Filler	Missing
Packing	Actionpac	MAX109	Scale	Missing
Table	AIM	DRF SS TrplCas	SS Sorting Table	Missing
Elevator	Stis	Missing	SS Sanitary Grade Elevator	Missing
Bin Dumper	Malavac	Missing	Bin Dumper	0901-1684
Scale	Flexweight	DWM IV-5000	Platform Scale	F16482
Bin Dumper	Malavac	LM448H	Bin Dumper	Missing
Generator	Unknown	34	150 KW Electrical Generator	S6701
Cleaning	Unknown	Missing	Floor Machine	Missing
Elevator	Universal	Missing	Bucket Elevator	Missing
Table	Unknown	Missing	Huller Sorting Table	Missing
Tank	Unknown	Missing	Floatation Tank	Missing
Cleaner	Unknown	Missing	Walnut Pre-Cleaner	Missing

## Page Six

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## Northern Bank of Dixon v Russell Lester

Case Number FCS054698

## Receivers Equipment Inventory

Page Seven

## Trailers and Carriers - Continued

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Pipe	Jessee	Missing	Pipe Trailer	Missing
Pipe	Shop	Missing	Pipe Trailer	Missing
Water	Shop	Missing	1,000 Gallon Water Wagon	Missing

## Wheeled Equipment

<u>Type</u>	<u>Make</u>	<u>Model</u>	<u>Description</u>	<u>Serial Number</u>
Back Hoe	John Deere	930	Wheeled Tractor	1T0410LXAHF319709
Boom Lift	JLG	450 AJ	Wheeled Tractor	Missing
Boom Lift	Case	M 450 AJ	Wheeled Tractor	Missing
Forklift	Cat	30-lp	Forklift	Missing
Forklift	Cat	GP25K-L	Forklift	Missing
Forklift	Cat	P5000	Forklift	AT3536082
Forklift	Cat	E6000	Forklift - Electric	A4EC341097
Track Layer	Cat	D4	Track Layer	7U35730
Track Layer	Cat	D4C	Track Layer	40A5130
Track Layer	Cat	D4D	Track Layer	78A851
Tracked Tractor	John Deere	8520T	Rubber Tracked Tractor	RW8520T902087
Wheel Tractor	Ford	841	Wheeled Tractor	Missing
Wheel Tractor	John Deere	2755	Wheeled Tractor	L02755U775973
Wheel Tractor	John Deere	6430	Wheeled Tractor	L06430D651391
Wheel Tractor	John Deere	6510	Wheeled Tractor	L06510V227534
Wheel Tractor	John Deere	6125M	Wheeled Tractor	1L6125MKFD830198
Wheel Tractor	John Deere	6125M	Wheeled Tractor	1L06125MCFD841147



# EXHIBIT D

DIXON RIDGE FARMS  
 MARKET ANALYSIS OF INVENTORY  
 July 10, 2020

Inventory Valuation Estimate:

	2018	2019	Total:
In-Shell Pounds	0	1,991,876	1,991,876
<u>Meat Pounds</u>	<u>1,812,020</u>	<u>111,107</u>	<u>1,923,127</u>
Total Pounds	1,812,020	2,102,983	3,915,003
Value / Pound			
	2018	2019	
In-Shell \$ / Lb.	\$0.60	\$0.65	
Meat \$ / Lb.	\$1.25	\$1.80	
Gross Value			
	2018	2019	Total:
Gross In-Shell Value	\$0.00	\$1,294,719.40	\$1,294,719.40
<u>Gross Meat Pounds Value</u>	<u>\$2,265,025.00</u>	<u>\$199,992.60</u>	<u>\$2,465,017.60</u>
Total Value	\$2,265,025.00	\$1,494,712.00	\$3,759,737.00

1. This is the estimated market value of the inventory under the marketing conditions outline in the Order Appointing the Receiver.
2. There has been a one hundred percent refusal by the potential Organic purchasers contacted. This inventory will be sold into the conventional market assuming there are no market barriers placed there as well.
3. Current market conditions are significantly depressed, and all prices reported reflect a substantial market survey undertaken the first week of July personal contact with brokers, organic and conventional processors, industry periodicals, and monthly grower reports from processors.
4. This is an estimated market value. The final value will be determined by what a willing and able buyer is willing to pay under the terms of sale dictated by the Order Appointing a Receiver. The final market price may differ significantly from the estimate provided herein.

# EXHIBIT E

**Irene Willard**

---

**From:** Williams, Jennifer <jwilliams@downeybrand.com>  
**Sent:** Monday, July 20, 2020 7:56 PM  
**To:** Christopher E. Seymour  
**Cc:** 'Douglas Kraft'; 'Don Howell (Dghowell@Protonmail.com)'; Irene Willard; Collier, Andrew  
**Subject:** FW: Discussion topics for Don Howell

Hi Chris,

Below is a list of topics that BizCap is interested in discussing with the receiver. I anticipate the receiver may not have any information on some of these topics. In which case, I can simply let BizCap know.

Again, I urge you to reconsider allowing the receiver to speak with BizCap directly. It will save time and money to do so. While the order may not require him to speak with BizCap, it also doesn't preclude such conversations.

We are cooperating with you and the bank and are merely asking for some cooperation in return.

Thanks.

Jennifer L. Williams

**DOWNEY BRAND**

Downey Brand LLP  
3425 Brookside Road, Suite A  
Stockton, CA 95219  
209.473.6450 Main  
209.472.3918 Direct  
209.472.3919 Fax  
jwilliams@downeybrand.com  
[www.downeybrand.com](http://www.downeybrand.com)

---

**From:** Matt Christensen <mchristensen@bizcap.com>  
**Sent:** Monday, July 20, 2020 1:54 PM  
**To:** Williams, Jennifer <jwilliams@downeybrand.com>; Collier, Andrew <acollier@DowneyBrand.com>  
**Cc:** Chuck Doyle <cdoyle@bizcap.com>; Keith Secon <ksecon@bizcap.com>  
**Subject:** Discussion topics for Don Howell

Ladies & Gentlemen:

Our objective at Business Capital is to secure capital to refinance Dixon Ridge Farm's debt with First Northern Bank of Dixon. This process will be expedited with good communication flow and data that is as accurate as possible. Don Howell is uniquely positioned to assist in this process. Specific topics include:

1. Inventory evaluation and valuation
2. Best options to monetize inventory
3. Ascertaining valuations of property at 5430 Putah Creek Road
4. Status and resolution of insurance claims relative to 2017 fire
5. Resolution of on premise power generation capability
6. Timing & contingencies related to the Conservation Easement Funding on the McCune and Carrion properties



7. Clarification as to liens and collateral interests
8. Insight into future concerns as they present themselves.

Don Howell, as Receiver, has thorough visibility into activities both past, present and future. Mr. Howell also has the sole authority for certain actions including any payments to vendors, consultants and/or required maintenance. All lenders that we work with will require a complete objective current fact set. With communication we hope to achieve these requirements in the most efficient way possible.

Thank you for allowing this communication.

**Matt Christensen**

SVP, Team Leader

Business Capital

[mchristensen@bizcap.com](mailto:mchristensen@bizcap.com)

O: (415) 989-0970

C: (415) 676-7851

**BUSINESS  
CAPITAL**

311 California Street | Ste 650 | San Francisco, CA 94104

**COMMERCIAL FINANCE | ASSET BASED DEBT, GROWTH & PRIVATE CAPITAL | DEBT RESTRUCTURING**

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**Irene Willard**

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**From:** Christopher E. Seymour <Cseymour@gmlegal.net>  
**Sent:** Tuesday, July 21, 2020 11:01 AM  
**To:** 'Williams, Jennifer'  
**Cc:** 'Douglas Kraft'; Don Howell (Dghowell@Protonmail.com); Irene Willard; Collier, Andrew  
**Subject:** RE: Lester receivership

Jenny,

Thank you for the clarification on the Bank of the West account. Your client received at least two letters from the Receiver demanding an accounting of **all** bank accounts, and two requests from me through you and Andrew to comply. The purpose is to ensure that no cash collateral applicable to the Receivership was transferred into the other accounts. As far as records for the account, the receiver is willing to limit the requirement for back-up information, *at least for now*, to transactions since he was appointed Receiver on June 12, 2020. The Receiver reserves the right to ask for additional information after reviewing the bank statements, check registers, and the account detail back to June 12.

As for BizCap, the "authorization" was for the Receiver to find out what information BizCap wanted to determine whether that was something the Receiver could and should participate in under the receivership order. We decided that the best way to determine what information BizCap was looking for was to request it in writing to ensure everyone was on the same page, as we were at a loss as to what BizCap would want from the receiver that it couldn't obtain elsewhere that was within the Receiver's duties under the order to provide. Reading the list you e-mailed last night, I'm glad we did, as it confirmed that BizCap wanted information and involvement in the refinancing process that is completely outside the duties of the receiver as set forth in the order.

The list you provided makes it clear that the intention is to put the receiver in the position of being a financial or refinancing consultant to your client and/or BizCap. The subjects listed are operational subjects. That not only is outside the parameters of the order, it is also outside the scope of the role of a Receiver appointed as to specific collateral. He was not appointed to be a business advisor or consultant. Hence, he will not communicate with BizCap based on the list you sent last night, and likely not at all, given the fact that the express purpose is to assist in obtaining refinancing. Regardless of whether refinancing would benefit Mr. Lester and the Bank, the order simply does not allow him to undertake the "business consulting" role he is being asked to take. Provided the Receiver was willing to undertake such a role (he is not), it would require that the order be modified to authorize him to do so, and likely would require that the receivership be expanded to what essentially would be an equity receivership, with the receiver taking over the entirety of Mr. Lester's operations.

What should have been a one to two week process to get the information has now taken a month. I have delayed filing a status report or initiating any contempt proceedings until after the Receiver meets with Mr. Lester tomorrow to give Mr. Lester a final opportunity to comply with the order and the Receiver's requests for information. I plan to file the report on Friday so the court has time to review it prior to the July 29 hearing, which the Receiver and I will attend as requested by the court. Please make sure Mr. Lester provides the requested (it's really a demand, but I prefer to be more cordial) account information when the Receiver is in Dixon Wednesday and Thursday.

Chris

Christopher E. Seymour, Esq.  
**GILMORE MAGNESS JANISSE, a Professional Corporation**  
7789 N. Ingram Avenue, Ste. 105  
Fresno, CA 93711

**Irene Willard**

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**From:** Williams, Jennifer <jwilliams@downeybrand.com>  
**Sent:** Tuesday, July 21, 2020 11:08 AM  
**To:** Christopher E. Seymour  
**Cc:** 'Douglas Kraft'; Don Howell (Dghowell@Protonmail.com); Irene Willard; Collier, Andrew  
**Subject:** RE: Lester receivership

Hi Chris,

We'll have to agree to disagree. I can see the conversation is not going anywhere.

Mr. Lester will have the bank statements for the receiver when they meet this week. I will let Mr. Lester know about the demand for back-up documentation going back to 6/12.

Jennifer L. Williams

**DOWNEY BRAND**

Downey Brand LLP  
3425 Brookside Road, Suite A  
Stockton, CA 95219  
209.473.6450 Main  
209.472.3918 Direct  
209.472.3919 Fax  
jwilliams@downeybrand.com  
[www.downeybrand.com](http://www.downeybrand.com)

---

**From:** Christopher E. Seymour <Cseymour@gmlegal.net>  
**Sent:** Tuesday, July 21, 2020 11:01 AM  
**To:** Williams, Jennifer <jwilliams@downeybrand.com>  
**Cc:** 'Douglas Kraft' <dkraft@douglaskraft.com>; Don Howell (Dghowell@Protonmail.com) <Dghowell@Protonmail.com>; Irene Willard <iwillard@gmlegal.net>; Collier, Andrew <acollier@DowneyBrand.com>  
**Subject:** RE: Lester receivership

Jenny,

Thank you for the clarification on the Bank of the West account. Your client received at least two letters from the Receiver demanding an accounting of **all** bank accounts, and two requests from me through you and Andrew to comply. The purpose is to ensure that no cash collateral applicable to the Receivership was transferred into the other accounts. As far as records for the account, the receiver is willing to limit the requirement for back-up information, *at least for now*, to transactions since he was appointed Receiver on June 12, 2020. The Receiver reserves the right to ask for additional information after reviewing the bank statements, check registers, and the account detail back to June 12.

As for BizCap, the "authorization" was for the Receiver to find out what information BizCap wanted to determine whether that was something the Receiver could and should participate in under the receivership order. We decided that the best way to determine what information BizCap was looking for was to request it in writing to ensure everyone was on the same page, as we were at a loss as to what BizCap would want from the receiver that it couldn't obtain elsewhere that was within the Receiver's duties under the order to provide. Reading the list you e-mailed last night, I'm glad we did, as it confirmed that BizCap wanted information and involvement in the refinancing process that is completely outside the duties of the receiver as set forth in the order.

## PROOF OF SERVICE

**First Northern Bank v. Russell W. Lester, et al.**  
**Case No. FCS054698**

STATE OF CALIFORNIA, COUNTY OF FRESNO

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Fresno, State of California. My business address is Post Office Box 28907, Fresno, CA 93729-8907.

On July 24, 2020, I served true copies of the following document(s) described as **FIRST REPORT OF RECEIVER** on the interested parties in this action as follows:

**SEE ATTACHED SERVICE LIST**

**BY MAIL:** I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed in the Service List and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with Gilmore Magness Janisse's practice for collecting and processing correspondence for mailing. On the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

**BY E-MAIL OR ELECTRONIC TRANSMISSION:** I caused a copy of the document(s) to be sent from e-mail address [iwillard@gmlegal.net](mailto:iwillard@gmlegal.net) to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on July 24, 2020, at Fresno, California.

Irene Willard



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**SERVICE LIST**  
**First Northern Bank v. Russell W. Lester, et al.**  
**Case No. FCS054698**

**VIA EMAIL ONLY**

Douglas Kraft  
KRAFT LAW  
11335 Gold Express Drive, Ste. 125  
Gold River, CA 95670  
Tel: (916) 880-3040  
Fax: (916) 880-3045  
Email: dkraft@douglaskraft.com

Andrew L. Collier  
DOWNEY BRAND LLP  
621 Capitol Mall, 18<sup>th</sup> Floor  
Sacramento, CA 95814  
Tel: (916) 444-1000  
Fax: (916) 444-2100  
Email: [acollier@downeybrand.com](mailto:acollier@downeybrand.com)

Jennifer L. Williams  
DOWNEY BRAND LLP  
3425 Brookside Road, Ste. A  
Stockton, CA 95219  
Tel: (209) 473-6450  
Fax: (209) 472-3919  
Email: [iwilliams@downeybrand.com](mailto:iwilliams@downeybrand.com)

# **EXHIBIT F**

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

	September Cash Flow						
Week Ending	9/4/2020	9/11/2020	9/18/2020	9/25/2020	Sept Forecast	Sept Budget	Sept Variance
	Forecast	Forecast	Forecast	Forecast			
<b>OPERATING STATISTICS</b>							
Walnuts Harvested (lbs)						-	
Walnuts Purchaed (lbs)						-	
Walnuts Processed (lbs)						-	
In-Shell Shipped (lbs)		500,000	695,648	500,000		1,695,648	
Meats Shipped (lbs)		300,000	300,000	10,000		610,000	
<b>ENDING INVENTORY (lbs)</b>							
In-Shell	1,695,648	1,195,648	500,000	-		-	
Processed Meats	2,026,484	1,726,484	1,426,484	1,416,484		1,416,484	
<b>Total</b>	<b>3,722,132</b>	<b>2,922,132</b>	<b>1,926,484</b>	<b>1,416,484</b>		<b>1,416,484</b>	
<b>ENDING INVENTORY (\$'s)</b>							
In-Shell @0.65 (blended)	\$ 1,102,171	\$ 777,171	\$ 325,000	\$ -		\$ -	
Processed Meats @1.28 (blended)	\$ 2,593,900	\$ 2,209,900	\$ 1,825,900	\$ 1,813,100		\$ 1,813,100	
<b>Total</b>	<b>\$ 3,696,071</b>	<b>\$ 2,987,071</b>	<b>\$ 2,150,900</b>	<b>\$ 1,813,100</b>		<b>\$ 1,813,100</b>	
<b>INVOICES PRODUCED</b>							
In-Shell	\$ -	\$ 325,000	\$ 452,171	\$ 325,000		\$ 1,102,171	
Processed Meats	\$ -	\$ 384,000	\$ 384,000	\$ 40,000		\$ 808,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 709,000</b>	<b>\$ 836,171</b>	<b>\$ 365,000</b>		<b>\$ 1,910,171</b>	
<b>ACCOUNTS RECEIVABLE</b>							
Beginning Balance	\$ 200,000	\$ 120,000	\$ 730,344	\$ 1,526,515		\$ 200,000	
Add: Invoices	\$ -	\$ 709,000	\$ 836,171	\$ 365,000		\$ 1,910,171	
Less: Receipts	\$ ( 80,000 )	\$ ( 98,656 )	\$ ( 40,000 )	\$ ( 73,000 )		\$ ( 291,656 )	
<b>Ending Balance</b>	<b>\$ 120,000</b>	<b>\$ 730,344</b>	<b>\$ 1,526,515</b>	<b>\$ 1,818,515</b>		<b>\$ 1,818,515</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	September Cash Flow						
	9/4/2020	9/11/2020	9/18/2020	9/25/2020	Sept	Sept	Sept
	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>CASH RECEIPTS</b>							
<i>Operating Receipts</i>							
In-Shell	\$ -	\$ -	\$ -	\$ -		\$ -	
Processed Meats	\$ 80,000	\$ 40,000	\$ 40,000	\$ 40,000		\$ 200,000	
Hay	\$ -	\$ -	\$ -	\$ 33,000		\$ 33,000	
PPP/CFAP/FSA/EIDL	\$ -	\$ -	\$ -	\$ -		\$ -	
Custom Work	\$ -	\$ -	\$ -	\$ -		\$ -	
Insurance Claims	\$ -	\$ -	\$ -	\$ -		\$ -	
Patronage Dividends	\$ -	\$ -	\$ -	\$ -		\$ -	
Reimbursed Expenses	\$ -	\$ -	\$ -	\$ -		\$ -	
Rents	\$ -	\$ -	\$ -	\$ -		\$ -	
From/(To) Receiver's Account	\$ -	\$ 58,656	\$ -	\$ -		\$ 58,656	
Other -soil test	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>TOTAL CASH RECEIPTS</b>	<b>\$ 80,000</b>	<b>\$ 98,656</b>	<b>\$ 40,000</b>	<b>\$ 73,000</b>		<b>\$ 291,656</b>	
<b>CASH DISBURSEMENTS</b>							
<i>Labor &amp; Related</i>							
Wages	\$ 45,200		\$ 45,200			\$ 90,400	
Federal Payroll Taxes	\$ 10,500		\$ 10,500			\$ 21,000	
State Payroll Taxes and Garnishments	\$ 1,750		\$ 1,750			\$ 3,500	
Workers Comp Insurance	\$ 6,000		\$ 6,000			\$ 12,000	
Employee Benefits/Medical	\$ 50		\$ 50			\$ 100	
Owner Draws	\$ -		\$ -			\$ -	
Other	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ 63,500</b>	<b>\$ -</b>	<b>\$ 63,500</b>	<b>\$ -</b>		<b>\$ 127,000</b>	
<i>Farming Expenses</i>							
Contract Labor	\$ 7,000	\$ -	\$ -	\$ -		\$ 7,000	
Equipment Rent		\$ 750	\$ -	\$ -		\$ 750	
Fertilizer and Compost		\$ -	\$ -	\$ -		\$ -	
Freight and Trucking		\$ -	\$ -	\$ -		\$ -	
Fuel		\$ 1,875	\$ 1,875	\$ 3,750		\$ 7,500	
Irrigation		\$ 250	\$ 250	\$ 500		\$ 1,000	
Organic expense		\$ 63	\$ 63	\$ 125		\$ 250	
Property and Use Taxes		\$ -	\$ -	\$ -		\$ -	
Repairs and Maint		\$ 3,125	\$ 3,125	\$ 6,250		\$ 12,500	
Seed		\$ -	\$ -	\$ -		\$ -	
Spraying		\$ -	\$ -	\$ -		\$ -	
Supplies		\$ -	\$ -	\$ -		\$ -	
Utilities		\$ -	\$ -	\$ -		\$ -	
Other	\$ -	\$ 5,000	\$ 5,000	\$ 5,000		\$ 15,000	
<b>Total</b>	<b>\$ 7,000</b>	<b>\$ 11,063</b>	<b>\$ 10,313</b>	<b>\$ 15,625</b>		<b>\$ 44,000</b>	



## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	September Cash Flow						
	9/4/2020	9/11/2020	9/18/2020	9/25/2020	Sept	Sept	Sept
	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>Processing Expenses</b>							
Comissions						\$ -	
Equipment Rent		\$ -	\$ -	\$ -		\$ -	
Freight and Trucking		\$ -	\$ -	\$ -		\$ -	
Inspection Fees		625	625	1,250		2,500	
Organic Expense		\$ -	\$ -	\$ -		\$ -	
Packaging Materials		\$ 125	\$ 125	\$ 250		\$ 500	
Promotion		\$ -	\$ -	\$ -		\$ -	
Property and Use Taxes				\$ -		\$ -	
Repairs and Maint		\$ 625	\$ 625	\$ 1,250		\$ 2,500	
Supplies		\$ 375	\$ 375	\$ 750		\$ 1,500	
Uniforms and Sanitation		\$ 850	\$ 850	\$ 1,000		\$ 2,700	
Utilities				\$ 2,000		\$ 2,000	
Electricity - current usage				\$ -		\$ -	
Electricity - Deposit				\$ -		\$ -	
Walnut Dues and Assessments		\$ 250	\$ 250	\$ 500		\$ 1,000	
Walnut Grower Assessments		\$ -	\$ -	\$ -		\$ -	
Walnut Purchases		\$ -	\$ -	\$ -		\$ -	
Other		\$ 2,500	\$ 2,500	\$ 2,500		\$ 7,500	
<b>Total</b>	<b>\$ -</b>	<b>\$ 5,350</b>	<b>\$ 5,350</b>	<b>\$ 9,500</b>		<b>\$ 20,200</b>	
<b>Administrative Expenses</b>							
Automobile		\$ -	\$ -	\$ 250		\$ 250	
Charitable Cont		\$ -	\$ -	\$ -		\$ -	
Dues and Subscript		\$ -	\$ -	\$ -		\$ -	
Employee Education		\$ -	\$ -	\$ -		\$ -	
Equipment Rent		\$ -	\$ -	\$ -		\$ -	
Insurance				\$ 9,250		\$ 9,250	
Interest		\$ -	\$ -	\$ -		\$ -	
Late Charges		\$ -	\$ -	\$ -		\$ -	
Professional (ordinary business)		\$ -	\$ -	\$ 2,500		\$ 2,500	
Licenses and Permits		\$ -	\$ -	\$ 2,000		\$ 2,000	
Office Expenses/Telephone		\$ -	\$ -	\$ -		\$ -	
Security				\$ 1,000		\$ 1,000	
Travel and Entertainment		\$ -	\$ -	\$ 1,250		\$ 1,250	
Other		\$ 125	\$ 125	\$ 250		\$ 500	
<b>Total</b>	<b>\$ -</b>	<b>\$ 125</b>	<b>\$ 125</b>	<b>\$ 16,500</b>		<b>\$ 16,750</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	September Cash Flow						
	9/4/2020	9/11/2020	9/18/2020	9/25/2020	Sept	Sept	Sept
	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>Other Operating Disbursements</b>							
Building Construction and Related		\$ -	\$ -	\$ -		\$ -	
Land and Irrigation Improvements		\$ -	\$ -	\$ -		\$ -	
Trees		\$ -	\$ -	\$ -		\$ -	
Equipment Purchases		\$ -	\$ -	\$ -		\$ -	
Other		\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	
<b>Financing Expenses</b>							
Bank Fees				\$ 650		\$ 650	
Prudential Interest		\$ -	\$ -	\$ -		\$ -	
Prudential Loan # 717611678						\$ -	
Prudential Loan # 717611843						\$ -	
FNB (Payment for Adequate Protection)	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 650</b>		<b>\$ 650</b>	
<b>Professional (Restructuring)</b>							
Debtor Attorneys						\$ -	
Debtor Financial Advisor						\$ -	
Debtor CPA						\$ -	
Creditor's Committee						\$ -	
US Trustee Fees						\$ -	
Other	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$ 70,500</b>	<b>\$ 16,538</b>	<b>\$ 79,288</b>	<b>\$ 42,275</b>		<b>\$ 208,600</b>	
<b>NET CASH FLOW</b>							
<b>NET CASH FLOW</b>	<b>\$ 9,500</b>	<b>\$ 82,119</b>	<b>\$ ( 39,288 )</b>	<b>\$ 30,725</b>		<b>\$ 83,056</b>	
Cumulative Net Cash Flow	\$ 9,500	\$ 91,619	\$ 52,331	\$ 83,056		\$ 83,056	
<b>CASH (BOOK) BALANCE</b>							
Beginning Book Balance	\$ 182,404	\$ 191,904	\$ 274,023	\$ 234,735		\$ 182,404	
Add: Net Cash Flow	\$ 9,500	\$ 82,119	\$ ( 39,288 )	\$ 30,725		\$ 83,056	
<b>ENDING BOOK BALANCE</b>	<b>\$ 191,904</b>	<b>\$ 274,023</b>	<b>\$ 234,735</b>	<b>\$ 265,460</b>		<b>\$ 265,460</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

	October Cash Flow							
Week Ending	10/2/2020	10/9/2020	10/16/2020	10/23/2020	10/30/2020	Oct	Oct	Oct
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>OPERATING STATISTICS</b>								
Walnuts Harvested (lbs)	25,000	156,200	156,200	156,200	156,200		649,800	
Walnuts Purchaed (lbs)	-	-	-	-	-		-	
Walnuts Processed (lbs)							-	
In-Shell Shipped (lbs)							-	
Meats Shipped (lbs)	10,000	12,000	14,000	15,000	16,000		67,000	
<b>ENDING INVENTORY (lbs)</b>								
In-Shell	25,000	181,200	337,400	493,600	649,800		649,800	
Processed Meats	1,406,484	1,394,484	1,380,484	1,365,484	1,349,484		1,349,484	
<b>Total</b>	1,431,484	1,575,684	1,717,884	1,859,084	1,999,284		1,999,284	
<b>ENDING INVENTORY (\$'s)</b>								
In-Shell @0.65 (blended)	\$ 16,250	\$ 117,780	\$ 219,310	\$ 320,840	\$ 422,370		\$ 422,370	
Processed Meats @1.28 (blended)	\$ 1,800,300	\$ 1,784,940	\$ 1,767,020	\$ 1,747,820	\$ 1,727,340		\$ 1,727,340	
<b>Total</b>	\$ 1,816,550	\$ 1,902,720	\$ 1,986,330	\$ 2,068,660	\$ 2,149,710		\$ 2,149,710	
<b>INVOICES PRODUCED</b>								
In-Shell							\$ -	
Processed Meats	\$ 40,000	\$ 48,000	\$ 56,000	\$ 60,000	\$ 64,000		\$ 268,000	
<b>Total</b>	\$ 40,000	\$ 48,000	\$ 56,000	\$ 60,000	\$ 64,000		\$ 268,000	
<b>ACCOUNTS RECEIVABLE</b>								
Beginning Balance	\$ 1,818,515	\$ 1,808,515	\$ 1,197,515	\$ 417,344	\$ 112,344		\$ 1,818,515	
Add: Invoices	\$ 40,000	\$ 48,000	\$ 56,000	\$ 60,000	\$ 64,000		\$ 268,000	
Less: Receipts	\$ (50,000)	\$ (659,000)	\$ (836,171)	\$ (365,000)	\$ 40,000		\$ (1,870,171)	
<b>Ending Balance</b>	\$ 1,808,515	\$ 1,197,515	\$ 417,344	\$ 112,344	\$ 216,344		\$ 216,344	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	October Cash Flow							
	10/2/2020	10/9/2020	10/16/2020	10/23/2020	10/30/2020	Oct	Oct	Oct
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>CASH RECEIPTS</b>								
<i>Operating Receipts</i>								
In-Shell	\$ 25,000	\$ 300,000	\$ 452,171	\$ 325,000	\$ -		1,102,171	
Processed Meats	\$ 25,000	\$ 359,000	\$ 384,000	\$ 40,000	\$ 40,000		848,000	
Hay	\$ -	\$ -	\$ -	\$ -	\$ -		-	
PPP/CFAP/FSA/EIDL	\$ -	\$ -	\$ -	\$ -	\$ -		-	
Custom Work	\$ -	\$ -	\$ -	\$ -	\$ -		-	
Insurance Claims	\$ -	\$ -	\$ -	\$ -	\$ -		-	
Patronage Dividends	\$ -	\$ -	\$ -	\$ -	\$ -		-	
Reimbursed Expenses	\$ -	\$ -	\$ -	\$ -	\$ -		-	
Rents	\$ -	\$ -	\$ -	\$ -	\$ -		-	
From/(To) Receiver's Account	\$ -	\$ -	\$ -	\$ -	\$ -		-	
Other -soil test	\$ -	\$ -	\$ -	\$ -	\$ -		-	
<b>TOTAL CASH RECEIPTS</b>	<b>\$ 50,000</b>	<b>\$ 659,000</b>	<b>\$ 836,171</b>	<b>\$ 365,000</b>	<b>\$ 40,000</b>		<b>\$ 1,950,171</b>	
<b>CASH DISBURSEMENTS</b>								
<i>Labor &amp; Related</i>								
Wages	\$ 45,200		\$ 45,200		\$ 45,200		\$ 135,600	
Federal Payroll Taxes	\$ 10,500		\$ 10,500		\$ 10,500		\$ 31,500	
State Payroll Taxes and Garnishments	\$ 1,750		\$ 1,750		\$ 1,750		\$ 5,250	
Workers Comp Insurance	\$ 6,000		\$ 6,000		\$ 6,000		\$ 18,000	
Employee Benefits/Medical	\$ 50		\$ 50		\$ 50		\$ 150	
Owner Draws	\$ -		\$ -		\$ -		\$ -	
Other	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ 63,500</b>	<b>\$ -</b>	<b>\$ 63,500</b>	<b>\$ -</b>	<b>\$ 63,500</b>		<b>\$ 190,500</b>	
<i>Farming Expenses</i>								
Contract Labor	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000		\$ 70,000	
Equipment Rent	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Fertilizer and Compost	\$ -	\$ 8,000	\$ 4,000	\$ 4,000	\$ 4,000		\$ 20,000	
Freight and Trucking	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Fuel	\$ -	\$ 3,000	\$ 1,500	\$ 1,500	\$ 1,500		\$ 7,500	
Irrigation	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200		\$ 1,000	
Organic expense					\$ 250		\$ 250	
Property and Use Taxes	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Repairs and Maint					\$ 12,500		\$ 12,500	
Seed	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Spraying	\$ 60,000	\$ -	\$ -	\$ -	\$ -		\$ 60,000	
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Other	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000		\$ 12,000	
<b>Total</b>	<b>\$ 74,200</b>	<b>\$ 28,200</b>	<b>\$ 22,700</b>	<b>\$ 22,700</b>	<b>\$ 35,450</b>		<b>\$ 183,250</b>	

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## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	October Cash Flow							
	10/2/2020	10/9/2020	10/16/2020	10/23/2020	10/30/2020	Oct	Oct	Oct
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>Processing Expenses</b>								
Comissions			\$ 18,500				\$ 18,500	
Equipment Rent	\$ -	\$ -	\$ -	\$ -	\$ 750		\$ 750	
Freight and Trucking	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Inspection Fees					\$ 2,500		\$ 2,500	
Organic Expense	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Packaging Materials	\$ -	\$ -	\$ -	\$ -	\$ 500		\$ 500	
Promotion	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Property and Use Taxes		\$ 1,000			\$ -		\$ 1,000	
Repairs and Maint	\$ -	\$ -	\$ -	\$ -	\$ 2,500		\$ 2,500	
Supplies	\$ -	\$ 1,200	\$ -	\$ 1,200	\$ -		\$ 2,400	
Uniforms and Sanitation	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400		\$ 2,000	
Utilities					\$ 2,000		\$ 2,000	
Electricity - current usage	\$ -				\$ 35,000		\$ 35,000	
Electricity - Deposit	\$ -	\$ 23,000					\$ 23,000	
Walnut Dues and Assessments	\$ 200	\$ 300	\$ 400	\$ 500	\$ 600		\$ 2,000	
Walnut Grower Assessments	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Walnut Purchases	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Other	\$ -	\$ -	\$ 500	\$ 500	\$ 500		\$ 1,500	
<b>Total</b>	<b>\$ 600</b>	<b>\$ 25,900</b>	<b>\$ 19,800</b>	<b>\$ 2,600</b>	<b>\$ 44,750</b>		<b>\$ 93,650</b>	
<b>Administrative Expenses</b>								
Automobile	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100		\$ 500	
Charitable Cont	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Dues and Subscript	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50		\$ 250	
Employee Education	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Equipment Rent	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Insurance					\$ 18,000		\$ 18,000	
Interest	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Late Charges	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Professional (ordinary business)	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500		\$ 2,500	
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Office Expenses/Telephone	\$ 1,250	\$ -	\$ 500	\$ -	\$ -		\$ 1,750	
Security					\$ 1,000		\$ 1,000	
Travel and Entertainment	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500		\$ 2,500	
Other	\$ -	\$ -	\$ 500	\$ 500	\$ 500		\$ 1,500	
<b>Total</b>	<b>\$ 2,400</b>	<b>\$ 1,150</b>	<b>\$ 2,150</b>	<b>\$ 1,650</b>	<b>\$ 20,650</b>		<b>\$ 28,000</b>	



## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	October Cash Flow							
	10/2/2020	10/9/2020	10/16/2020	10/23/2020	10/30/2020	Oct	Oct	Oct
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>Other Operating Disbursements</b>								
Building Construction and Related	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Land and Irrigation Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Trees	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Equipment Purchases	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 2,500		\$ 7,500	
Other	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>		<b>\$ 7,500</b>	
<b>Financing Expenses</b>								
Bank Fees					\$ 650		\$ 650	
Prudential Interest	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Prudential Loan # 717611678	\$ 81,738	\$ -	\$ -	\$ -	\$ -		\$ 81,738	
Prudential Loan # 717611843	\$ 80,625	\$ -	\$ -	\$ -	\$ -		\$ 80,625	
FNB (Payment for Adequate Protection)	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ 162,363</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 650</b>		<b>\$ 163,013</b>	
<b>Professional (Restructuring)</b>								
Debtor Attorneys	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Debtor Financial Advisor	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Debtor CPA	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
Creditor's Committee	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
US Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ 975		\$ 975	
Other	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 975</b>		<b>\$ 975</b>	
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$ 303,063</b>	<b>\$ 55,250</b>	<b>\$ 110,650</b>	<b>\$ 29,450</b>	<b>\$ 168,475</b>		<b>\$ 666,888</b>	
<b>NET CASH FLOW</b>								
<b>NET CASH FLOW</b>	<b>\$ ( 253,063 )</b>	<b>\$ 603,750</b>	<b>\$ 725,521</b>	<b>\$ 335,550</b>	<b>\$ ( 128,475 )</b>		<b>\$ 1,283,283</b>	
Cumulative Net Cash Flow	\$ ( 170,007 )	\$ 433,743	\$ 1,159,264	\$ 1,494,814	\$ 1,366,339		\$ 1,366,339	
<b>CASH (BOOK) BALANCE</b>								
Beginning Book Balance	\$ 265,460	\$ 12,397	\$ 616,147	\$ 1,341,669	\$ 1,677,219		\$ 265,460	
Add: Net Cash Flow	\$ ( 253,063 )	\$ 603,750	\$ 725,521	\$ 335,550	\$ ( 128,475 )		\$ 1,283,283	
<b>ENDING BOOK BALANCE</b>	<b>\$ 12,397</b>	<b>\$ 616,147</b>	<b>\$ 1,341,669</b>	<b>\$ 1,677,219</b>	<b>\$ 1,548,744</b>		<b>\$ 1,548,744</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

	November Cash Flow						
Week Ending	11/6/2020	11/13/2020	11/20/2020	11/27/2020	Nov	Nov	Nov
	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>OPERATING STATISTICS</b>							
Walnuts Harvested (lbs)	156,200	156,200	156,200			468,600	
Walnuts Purchaed (lbs)	-	-	-	-		-	
Walnuts Processed (lbs)		28,000	30,000	20,000		78,000	
In-Shell Shipped (lbs)						-	
Meats Shipped (lbs)	17,000	18,000	19,000	20,000		74,000	
<b>ENDING INVENTORY (lbs)</b>							
In-Shell	806,000	962,200	1,118,400	1,118,400		1,118,400	
Processed Meats	1,332,484	1,342,484	1,353,484	1,353,484		1,353,484	
<b>Total</b>	<b>2,138,484</b>	<b>2,304,684</b>	<b>2,471,884</b>	<b>2,471,884</b>		<b>2,471,884</b>	
<b>ENDING INVENTORY (\$'s)</b>							
In-Shell @0.65 (blended)	\$ 523,900	\$ 625,430	\$ 726,960	\$ 726,960		\$ 726,960	
Processed Meats @1.28 (blended)	\$ 1,705,580	\$ 1,718,380	\$ 1,732,460	\$ 1,732,460		\$ 1,732,460	
<b>Total</b>	<b>\$ 2,229,480</b>	<b>\$ 2,343,810</b>	<b>\$ 2,459,420</b>	<b>\$ 2,459,420</b>		<b>\$ 2,459,420</b>	
<b>INVOICES PRODUCED</b>							
In-Shell						\$ -	
Processed Meats	\$ 68,000	\$ 72,000	\$ 76,000	\$ 80,000		\$ 296,000	
<b>Total</b>	<b>\$ 68,000</b>	<b>\$ 72,000</b>	<b>\$ 76,000</b>	<b>\$ 80,000</b>		<b>\$ 296,000</b>	
<b>ACCOUNTS RECEIVABLE</b>							
Beginning Balance	\$ 216,344	\$ 236,344	\$ 204,344	\$ 172,344		\$ 216,344	
Add: Invoices	\$ 68,000	\$ 72,000	\$ 76,000	\$ 80,000		\$ 296,000	
Less: Receipts	\$ ( 48,000 )	\$ ( 104,000 )	\$ ( 108,000 )	\$ 40,000		\$ ( 220,000 )	
<b>Ending Balance</b>	<b>\$ 236,344</b>	<b>\$ 204,344</b>	<b>\$ 172,344</b>	<b>\$ 292,344</b>		<b>\$ 292,344</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	November Cash Flow						
	11/6/2020	11/13/2020	11/20/2020	11/27/2020	Nov	Nov	Nov
	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>CASH RECEIPTS</b>							
<b>Operating Receipts</b>							
In-Shell	\$ -	\$ 56,000	\$ 60,000	\$ 64,000		180,000	
Processed Meats	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000		192,000	
Hay						-	
PPP/CFAP/FSA/EIDL						-	
Custom Work						-	
Insurance Claims						-	
Patronage Dividends						-	
Reimbursed Expenses						-	
Rents						-	
From/(To) Receiver's Account						-	
Other -soil test	\$ -	\$ -	\$ -	\$ -		-	
<b>TOTAL CASH RECEIPTS</b>	<b>\$ 48,000</b>	<b>\$ 104,000</b>	<b>\$ 108,000</b>	<b>\$ 112,000</b>		<b>\$ 372,000</b>	
<b>CASH DISBURSEMENTS</b>							
<b>Labor &amp; Related</b>							
Wages		\$ 45,200		\$ 45,200		\$ 90,400	
Federal Payroll Taxes		\$ 10,500		\$ 10,500		\$ 21,000	
State Payroll Taxes and Garnishments		\$ 1,750		\$ 1,750		\$ 3,500	
Workers Comp Insurance		\$ 6,000		\$ 6,000		\$ 12,000	
Employee Benefits/Medical		\$ 50		\$ 50		\$ 100	
Owner Draws		\$ -		\$ -		\$ -	
Other	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ 63,500</b>	<b>\$ -</b>	<b>\$ 63,500</b>		<b>\$ 127,000</b>	
<b>Farming Expenses</b>							
Contract Labor				\$ -		\$ -	
Equipment Rent			\$ 750	\$ -		\$ 750	
Fertilizer and Compost				\$ -		\$ -	
Freight and Trucking				\$ -		\$ -	
Fuel				\$ 1,047		\$ 1,047	
Irrigation				\$ -		\$ -	
Organic expense				\$ -		\$ -	
Property and Use Taxes				\$ -		\$ -	
Repairs and Maint			\$ 14,000	\$ 226		\$ 14,226	
Seed				\$ -		\$ -	
Spraying				\$ -		\$ -	
Supplies				\$ -		\$ -	
Utilities				\$ -		\$ -	
Other	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500		\$ 10,000	
<b>Total</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ 17,250</b>	<b>\$ 3,773</b>		<b>\$ 26,023</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	November Cash Flow						
	11/6/2020	11/13/2020	11/20/2020	11/27/2020	Nov	Nov	Nov
	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>Processing Expenses</b>							
Comissions	\$ 563	\$ 563	\$ 563	\$ 563		\$ 2,250	
Equipment Rent				\$ 750		\$ 750	
Freight and Trucking				\$ 1,200		\$ 1,200	
Inspection Fees				\$ 900		\$ 900	
Organic Expense	\$ -	\$ -	\$ -	\$ -		\$ -	
Packaging Materials				\$ 500		\$ 500	
Promotion				\$ 250		\$ 250	
Property and Use Taxes	\$ 250	\$ 250	\$ 250	\$ 250		\$ 1,000	
Repairs and Maint	\$ -	\$ 3,125	\$ -	\$ -		\$ 3,125	
Supplies	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000		\$ 4,000	
Uniforms and Sanitation	\$ 500	\$ 500	\$ 500	\$ 500		\$ 2,000	
Utilities	\$ -			\$ 12,500		\$ 12,500	
Electricity - current usage				\$ 25,000		\$ 25,000	
Electricity - Deposit						\$ -	
Walnut Dues and Assessments	\$ 1,125	\$ 1,125	\$ 1,125	\$ 1,125		\$ 4,500	
Walnut Grower Assessments	\$ -	\$ -	\$ -	\$ -		\$ -	
Walnut Purchases	\$ -	\$ -	\$ -	\$ -		\$ -	
Other	\$ 125	\$ 125	\$ 125	\$ 125		\$ 500	
<b>Total</b>	<b>\$ 3,563</b>	<b>\$ 6,688</b>	<b>\$ 3,563</b>	<b>\$ 44,663</b>		<b>\$ 58,475</b>	
<b>Administrative Expenses</b>							
Automobile	\$ -	\$ 31	\$ -	\$ 125		\$ 156	
Charitable Cont	\$ -	\$ -	\$ -	\$ -		\$ -	
Dues and Subscript	\$ -	\$ 16	\$ 82	\$ 63		\$ 160	
Employee Education	\$ -	\$ -	\$ -	\$ -		\$ -	
Equipment Rent	\$ -	\$ -	\$ -	\$ -		\$ -	
Insurance	\$ -	\$ 1,125	\$ 17,500	\$ -		\$ 18,625	
Interest	\$ -	\$ -	\$ -	\$ -		\$ -	
Late Charges	\$ -	\$ -	\$ -	\$ -		\$ -	
Professional (ordinary business)	\$ -	\$ 156	\$ -	\$ 625		\$ 781	
Licenses and Permits	\$ -	\$ 361	\$ -	\$ -		\$ 361	
Office Expenses/Telephone	\$ -	\$ 156	\$ -	\$ 625		\$ 781	
Security	\$ -	\$ 63	\$ -	\$ 250		\$ 313	
Travel and Entertainment	\$ -	\$ 156	\$ -	\$ 625		\$ 781	
Other	\$ -	\$ 31	\$ -	\$ 125		\$ 156	
<b>Total</b>	<b>\$ -</b>	<b>\$ 2,095</b>	<b>\$ 17,582</b>	<b>\$ 2,438</b>		<b>\$ 22,115</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

	November Cash Flow						
Week Ending	11/6/2020	11/13/2020	11/20/2020	11/27/2020	Nov	Nov	Nov
	Forecast	Forecast	Forecast	Forecast	Forecast	Budget	Variance
<b>Other Operating Disbursements</b>							
Building Construction and Related	\$ -	\$ -	\$ -	\$ -		\$ -	
Land and Irrigation Improvements	\$ -	\$ -	\$ -	\$ -		\$ -	
Trees	\$ -	\$ -	\$ -	\$ -		\$ -	
Equipment Purchases	\$ -	\$ 313	\$ -	\$ 1,250		\$ 1,563	
Other	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ 313</b>	<b>\$ -</b>	<b>\$ 1,250</b>		<b>\$ 1,563</b>	
<b>Financing Expenses</b>							
Bank Fees	\$ -	\$ 41	\$ -	\$ 163		\$ 203	
Prudential Interest	\$ -	\$ -	\$ -	\$ -		\$ -	
Prudential Loan # 717611678	\$ -	\$ -	\$ -	\$ -		\$ -	
Prudential Loan # 717611843	\$ -	\$ -	\$ -	\$ -		\$ -	
FNB (Payment for Adequate Protection)	\$ -	\$ -	\$ -	\$ 500,000		\$ 500,000	
<b>Total</b>	<b>\$ -</b>	<b>\$ 41</b>	<b>\$ -</b>	<b>\$ 500,163</b>		<b>\$ 500,203</b>	
<b>Professional (Restructuring)</b>							
Debtor Attorneys				\$ 150,000		\$ 150,000	
Debtor Financial Advisor				\$ 40,000		\$ 40,000	
Debtor CPA				\$ 10,000		\$ 10,000	
Creditor's Committee				\$ 50,000		\$ 50,000	
US Trustee Fees				\$ -		\$ -	
Other	\$ -	\$ -	\$ -	\$ -		\$ -	
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>		<b>\$ 250,000</b>	
<b>TOTAL CASH DISBURSEMENTS</b>	<b>\$ 6,063</b>	<b>\$ 75,136</b>	<b>\$ 38,395</b>	<b>\$ 865,786</b>		<b>\$ 985,379</b>	
<b>NET CASH FLOW</b>							
<b>NET CASH FLOW</b>	<b>\$ 41,938</b>	<b>\$ 28,864</b>	<b>\$ 69,606</b>	<b>\$ ( 753,786 )</b>		<b>\$ ( 613,379 )</b>	
Cumulative Net Cash Flow	\$ 1,408,277	\$ 1,437,141	\$ 1,506,746	\$ 752,961		\$ 752,961	
<b>CASH (BOOK) BALANCE</b>							
Beginning Book Balance	\$ 1,548,744	\$ 1,590,681	\$ 1,619,545	\$ 1,689,151		\$ 1,548,744	
Add: Net Cash Flow	\$ 41,938	\$ 28,864	\$ 69,606	\$ ( 753,786 )		\$ ( 613,379 )	
<b>ENDING BOOK BALANCE</b>	<b>\$ 1,590,681</b>	<b>\$ 1,619,545</b>	<b>\$ 1,689,151</b>	<b>\$ 935,365</b>		<b>\$ 935,365</b>	



## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

	13- Weeks September thru November		
Week Ending	13 Weeks Forecast	13 Weeks Budget	13 Weeks Variance
<b>OPERATING STATISTICS</b>			
Walnuts Harvested (lbs)		1,118,400	
Walnuts Purchaed (lbs)		-	
Walnuts Processed (lbs)		78,000	
In-Shell Shipped (lbs)		1,695,648	
Meats Shipped (lbs)		751,000	
<b>ENDING INVENTORY (lbs)</b>			
In-Shell		1,118,400	
Processed Meats		1,353,484	
<b>Total</b>		2,471,884	
<b>ENDING INVENTORY (\$'s)</b>			
In-Shell @0.65 (blended)		\$ 726,960	
Processed Meats @ 1.28 (blended)		\$ 1,732,460	
<b>Total</b>		\$ 2,459,420	
<b>INVOICES PRODUCED</b>			
In-Shell		\$ 1,102,171	
Processed Meats		\$ 1,372,000	
<b>Total</b>		\$ 2,474,171	
<b>ACCOUNTS RECEIVABLE</b>			
Beginning Balance		\$ 200,000	
Add: Invoices		\$ 2,474,171	
Less: Receipts		\$ ( 2,381,827 )	
<b>Ending Balance</b>		\$ 292,344	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	13- Weeks September thru November		
	13 Weeks	13 Weeks	13 Weeks
	Forecast	Budget	Variance
<b>CASH RECEIPTS</b>			
<i>Operating Receipts</i>			
In-Shell		1,282,171	
Processed Meats		1,240,000	
Hay		33,000	
PPP/CFAP/FSA/EIDL		-	
Custom Work		-	
Insurance Claims		-	
Patronage Dividends		-	
Reimbursed Expenses		-	
Rents		-	
From/(To) Receiver's Account		58,656	
Other -soil test		-	
<b>TOTAL CASH RECEIPTS</b>		<b>2,613,827</b>	
<b>CASH DISBURSEMENTS</b>			
<i>Labor &amp; Related</i>			
Wages		\$ 316,400	
Federal Payroll Taxes		\$ 73,500	
State Payroll Taxes and Garnishments		\$ 12,250	
Workers Comp Insurance		\$ 42,000	
Employee Benefits/Medical		\$ 350	
Owner Draws		\$ -	
Other		\$ -	
<b>Total</b>		<b>\$ 444,500</b>	
<i>Farming Expenses</i>			
Contract Labor		\$ 77,000	
Equipment Rent		\$ 1,500	
Fertilizer and Compost		\$ 20,000	
Freight and Trucking		\$ -	
Fuel		\$ 16,047	
Irrigation		\$ 2,000	
Organic expense		\$ 500	
Property and Use Taxes		\$ -	
Repairs and Maint		\$ 39,226	
Seed		\$ -	
Spraying		\$ 60,000	
Supplies		\$ -	
Utilities		\$ -	
Other		\$ 37,000	
<b>Total</b>		<b>\$ 253,273</b>	

## DRF - 13 Week Cash Budget - - September through November - v.08.30.2020 Rev.xlsx

Week Ending	13- Weeks September thru November		
	13 Weeks	13 Weeks	13 Weeks
	Forecast	Budget	Variance
<b><i>Processing Expenses</i></b>			
Comissions		\$ 20,750	
Equipment Rent		\$ 1,500	
Freight and Trucking		\$ 1,200	
Inspection Fees		\$ 5,900	
Organic Expense		\$ -	
Packaging Materials		\$ 1,500	
Promotion		\$ 250	
Property and Use Taxes		\$ 2,000	
Repairs and Maint		\$ 8,125	
Supplies		\$ 7,900	
Uniforms and Sanitation		\$ 6,700	
Utilities		\$ 16,500	
Electricity - current usage		\$ 60,000	
Electricity - Deposit		\$ 23,000	
Walnut Dues and Assessments		\$ 7,500	
Walnut Grower Assessments		\$ -	
Walnut Purchases		\$ -	
Other		\$ 9,500	
<b>Total</b>		<b>\$ 172,325</b>	
<b><i>Administrative Expenses</i></b>			
Automobile		\$ 906	
Charitable Cont		\$ -	
Dues and Subscript		\$ 410	
Employee Education		\$ -	
Equipment Rent		\$ -	
Insurance		\$ 45,875	
Interest		\$ -	
Late Charges		\$ -	
Professional (ordinary business)		\$ 5,781	
Licenses and Permits		\$ 2,361	
Office Expenses/Telephone		\$ 2,531	
Security		\$ 2,313	
Travel and Entertainment		\$ 4,531	
Other		\$ 2,156	
<b>Total</b>		<b>\$ 66,865</b>	

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Week Ending	13- Weeks September thru November		
	13 Weeks	13 Weeks	13 Weeks
	Forecast	Budget	Variance
<b><i>Other Operating Disbursements</i></b>			
Building Construction and Related		\$ -	
Land and Irrigation Improvements		\$ -	
Trees		\$ -	
Equipment Purchases		\$ 9,063	
Other		\$ -	
<b>Total</b>		<b>\$ 9,063</b>	
<b><i>Financing Expenses</i></b>			
Bank Fees		\$ 1,503	
Prudentiaul Interest		\$ -	
Prudential Loan # 717611678		\$ 81,738	
Prudential Loan # 717611843		\$ 80,625	
FNB (Payment for Adequate Protection)		\$ 500,000	
<b>Total</b>		<b>\$ 663,866</b>	
<b><i>Professional (Restructuring)</i></b>			
Debtor Attorneys		\$ 150,000	
Debtor Financial Advisor		\$ 40,000	
Debtor CPA		\$ 10,000	
Creditor's Committee		\$ 50,000	
US Trustee Fees		\$ 975	
Other		\$ -	
<b>Total</b>		<b>\$ 250,975</b>	
<b><u>TOTAL CASH DISBURSEMENTS</u></b>		<b><u>\$ 1,860,867</u></b>	
<b>NET CASH FLOW</b>			
<b><u>NET CASH FLOW</u></b>		<b><u>\$ 752,961</u></b>	
Cumulative Net Cash Flow			
<b>CASH (BOOK) BALANCE</b>			
Beginning Book Balance		\$ 182,404	
Add: Net Cash Flow		\$ 752,961	
<b><u>ENDING BOOK BALANCE</u></b>		<b><u>\$ 935,365</u></b>	